Fiscal Year 2026 Teacher Compensation Funding Requirements Nov. 9, 2026

Pursuant to Indiana Code 20-28-9-27, school corporations that receive an increase in tuition support from the previous fiscal year are subject to statutory requirements related to teacher compensation expenditures. One of these requirements establishes a funding floor based on the school corporation's prior-year expenditures for full-time teacher salaries.

The Duneland School Corporation acknowledges receipt of notification from the Indiana Department of Education (IDOE), dated October 21, 2026, indicating that DSC did not meet the applicable teacher compensation expenditure requirements for fiscal year 2026.

In fiscal year 2026, Duneland School Corporation received an increase in state tuition support of $2,556,468 compared to fiscal year 2025. During that same period, DSC spent $154,813.74 less on full-time teacher salaries than it did in fiscal year 2025.

Several factors contributed to this decrease in expenditures, including:

- Although our teachers received an additional $3,000 in salary and an increased district contribution toward health insurance in 2026, we also provided a significant stipend of $2,250 in 2025 and paid considerable additional stipends to teachers as they completed the development of our Guaranteed and Viable Curriculum (GVC).
- At the start of FY 2026, we also reduced our teaching staff by eight FTEs.

It is important to consider this notification within the broader context of DSC's investment in teacher compensation. DSC reports that approximately 81% of available funds are dedicated to teacher compensation, substantially exceeding the 65% benchmark established by the State of Indiana. In addition, DSC is among the top three school corporations statewide for starting teacher pay, with a starting salary of $59,000.

The administration will review the financial calculations and reporting classifications associated with IDOE's notification and seek clarification from the department as appropriate. We remain committed to supporting our teachers, maintaining responsible financial practices, and ensuring transparency with our Board and community.

The administration requests that the Board's acknowledgment of the IDOE notification be entered into the official minutes of this meeting. The notification will also be published on the district's website within the timeframe required by law.

INDIANA
DEPARTMENT of
EDUCATION

Mike Braun, Governor
Katie Jenner, Secretary of Education

October 21, 2026

Duneland School Corporation
601 W Morgan Ave
Chesterton, IN 46304

Dear Robert McDermott,

Pursuant to Indiana Code (IC) 20-28-9-27, school corporations that received an increase in tuition support from the previous fiscal year are required to spend an amount for full-time teacher salaries that was not less than the funding floor. The funding floor is defined as the amount a school corporation expended for full-time teacher salaries during the previous state fiscal year plus the lesser of stipends provided to a majority of teachers in the previous two years (excluding Teacher Appreciation Grant stipends). **This memo serves as notice that Duneland School Corporation (6470) received an increase in state tuition support between fiscal year 2025 and fiscal year 2026 and the funding floor was not met.**

Full-time teacher salaries included full-time teachers and temporary teachers as defined by IC 20-18-2-22(d), which were coded in Form 9 financial information as object 110 and subcategories 30 to 33. Form 9 financial information submitted by Duneland School Corporation for fiscal years 2025 and 2026 reflected the following:

Fiscal Year 2025 State Tuition Support:	$45,805,816
Fiscal Year 2026 State Tuition Support:	$48,362,284
Fiscal Year 2025 Funding Floor:	$23,777,065.23
Fiscal Year 2026 Full-Time Teacher Expenditu	$23,622,251.49

Please note expenditures coded to school id 8888 (other public school) were excluded from the calculation for both fiscal years.

Pursuant to IC 20-28-9-27, Duneland School Corporation must do the following:

1) Publicly acknowledge receipt of this notice from the Indiana Department of Education (IDOE) at the governing body's next public meeting
2) Enter an acknowledgement of the notice into the governing body's official meeting minutes.
3) Within 30 days of the meeting, publish this notification on the school corporation's website.

Contact IDOE's Office of School Finance with any questions.

Sincerely,

Brenda A Erbse

Brenda Erbse
Senior Department Director, Office of School Finance

cc: Lynn Kwilasz, Brandon Kroft