

IC 20-40-8

Chapter 8. Capital Projects Fund

IC 20-40-8-1

"Calendar year distribution"

Sec. 1. As used in this chapter, "calendar year distribution" means the sum of the following:

- (1) A school corporation's:
 - (A) state tuition support; and
 - (B) maximum permissible tuition support levy (as defined in IC 20-45-1-15 before its repeal);for the calendar year.
- (2) The sum of the following excise tax revenue of the school corporation for the immediately preceding calendar year:
 - (A) Financial institution excise tax revenue (IC 6-5.5).
 - (B) Motor vehicle excise taxes (IC 6-6-5).
 - (C) Commercial vehicle excise taxes (IC 6-6-5.5).
 - (D) Boat excise tax (IC 6-6-11).
 - (E) Aircraft license excise tax (IC 6-6-6.5).

As added by P.L.2-2006, SEC.163. Amended by P.L.146-2008, SEC.477; P.L.229-2011, SEC.196.

IC 20-40-8-2

"Emergency"

Sec. 2. As used in this chapter, "emergency" means:

- (1) when used with respect to repair or replacement:
 - (A) a fire;
 - (B) a flood;
 - (C) a windstorm;
 - (D) a mechanical failure of any part of a structure; or
 - (E) an unforeseeable circumstance; and
- (2) when used with respect to site acquisition, the unforeseeable availability of real property for purchase.

As added by P.L.2-2006, SEC.163.

IC 20-40-8-3

"Fund"

Sec. 3. As used in this chapter, "fund" refers to the capital projects fund established under section 6 of this chapter.

As added by P.L.2-2006, SEC.163.

IC 20-40-8-4

"Levy"

Sec. 4. As used in this chapter, "levy" refers to a property tax levy imposed under IC 20-46-6 for the fund.

As added by P.L.2-2006, SEC.163.

IC 20-40-8-5

"Plan"

Sec. 5. As used in this chapter, "plan" refers to a plan or amended

plan adopted and approved under IC 20-46-6.
As added by P.L.2-2006, SEC.163.

IC 20-40-8-6

Establishment of fund

Sec. 6. A school corporation may establish a capital projects fund.
As added by P.L.2-2006, SEC.163.

IC 20-40-8-7

Deposit of interest

Sec. 7. Interest on money in the fund, including the fund's pro rata share of interest earned on the investment of total money on deposit, shall be deposited in the fund. However, the governing body may adopt a resolution to transfer any interest earned on money in the fund to the school corporation's general fund.
As added by P.L.2-2006, SEC.163.

IC 20-40-8-8

Requirement of expenditure plan

Sec. 8. Notwithstanding IC 6-1.1-17, the department of local government finance may approve appropriations from the fund only if the appropriations conform to a plan.
As added by P.L.2-2006, SEC.163.

IC 20-40-8-9

Rules

Sec. 9. The department of local government finance may adopt rules under IC 4-22-2 to implement this chapter and IC 20-46-6.
As added by P.L.2-2006, SEC.163.

IC 20-40-8-10

Uses; land and improvements

Sec. 10. (a) Except as provided in subsection (b), with respect to any facility used or to be used by the school corporation, money in the fund may be used to pay for the following:

- (1) Planned construction, repair, replacement, or remodeling.
- (2) Site acquisition.
- (3) Site development.
- (4) Repair, replacement, or site acquisition that is necessitated by an emergency.

(b) Except as provided in section 12 of this chapter, money in the fund may not be used to pay for:

- (1) planned construction, repair, replacement, or remodeling;
- (2) site acquisition;
- (3) site development; or
- (4) repair, replacement, or site acquisition that is necessitated by an emergency;

of a facility used or to be used primarily for interscholastic or extracurricular activities.

As added by P.L.2-2006, SEC.163.

IC 20-40-8-11**Uses; equipment**

Sec. 11. Money in the fund may be used to pay for the purchase, lease, repair, or maintenance of equipment to be used by the school corporation. However, money in the fund may not be used to pay for the purchase, lease, repair, or maintenance of the following:

- (1) Vehicles to be used for any purpose.
- (2) Except as provided in section 12 of this chapter, equipment to be used primarily for interscholastic or extracurricular activities.

As added by P.L.2-2006, SEC.163. Amended by P.L.48-2011, SEC.33; P.L.229-2011, SEC.197.

IC 20-40-8-12**Uses; school sports facilities**

Sec. 12. Money in the fund may be used to pay for the construction, repair, replacement, remodeling, or maintenance of a school sports facility. However, a school corporation's expenditures in a calendar year under this section may not exceed five percent (5%) of the property tax revenues levied for the fund in the calendar year.

As added by P.L.2-2006, SEC.163.

IC 20-40-8-13**Uses; computer systems**

Sec. 13. Money in the fund may be used for any of the following purposes:

- (1) To purchase, lease, upgrade, maintain, or repair one (1) or more of the following:
 - (A) Computer hardware.
 - (B) Computer software.
 - (C) Wiring and computer networks.
 - (D) Communication access systems used to connect with computer networks or electronic gateways.
- (2) To pay for the services of full-time or part-time computer maintenance employees.
- (3) To conduct nonrecurring in-service technology training of school employees.
- (4) To pay advances, together with interest on the advances, from the common school fund for educational technology programs under IC 20-49-4.
- (5) To acquire any equipment or services necessary:
 - (A) to implement the technology preparation curriculum under IC 20-30-12;
 - (B) to participate in a program to provide educational technologies, including:
 - (i) computers in the homes of students (commonly referred to as "the buddy system project") under IC 20-20-13-6;
 - (ii) the 4R's technology program; or
 - (iii) any other program under the educational technology

program described in IC 20-20-13; or
(C) to obtain any combination of equipment or services
described in clauses (A) and (B).
As added by P.L.2-2006, SEC.163.

IC 20-40-8-14

Uses; vocational capital expenditures

Sec. 14. Money in the fund may be used to purchase any of the following for the use of vocational building trades classes to construct new buildings and remodel existing buildings:

- (1) Building sites.
- (2) Buildings in need of renovation.
- (3) Building materials.
- (4) Equipment.

As added by P.L.2-2006, SEC.163.

IC 20-40-8-15

Uses; renting or leasing real estate

Sec. 15. Money in the fund may be used for leasing or renting existing real estate. However, money in the fund may not be used for payments authorized under IC 20-47-2 and IC 20-47-3.

As added by P.L.2-2006, SEC.163.

IC 20-40-8-16

Uses; skilled trades

Sec. 16. (a) For purposes of this section, maintenance does not include janitorial or comparable routine services normally provided in the daily operation of the facilities or equipment.

(b) Subject to this section, money in the fund may be used to pay for services of school corporation employees who are:

- (1) bricklayers;
- (2) stone masons;
- (3) cement masons;
- (4) tile setters;
- (5) glaziers;
- (6) insulation workers;
- (7) asbestos removers;
- (8) painters;
- (9) paperhangers;
- (10) drywall applicators and tapers;
- (11) plasterers;
- (12) pipe fitters;
- (13) roofers;
- (14) structural and steel workers;
- (15) metal building assemblers;
- (16) heating and air conditioning installers;
- (17) welders;
- (18) carpenters;
- (19) electricians; or
- (20) plumbers;

as these occupations are defined in the United States Department of Labor, Employment and Training Administration, Dictionary of Occupational Titles, Fourth Edition, Revised 1991.

(c) Payment may be made under this section for employee services described in subsection (b) only if:

(1) the employees perform:

- (A) construction of;
- (B) renovation of;
- (C) remodeling of;
- (D) repair of; or
- (E) maintenance on;

the facilities and equipment specified in sections 10 and 11 of this chapter;

(2) the total of all annual salaries and benefits paid by the school corporation to employees described in this section is at least six hundred thousand dollars (\$600,000); and

(3) the payment of the employees described in this section is included as part of the school corporation's proposed plan.

(d) The number of employees covered by this section is limited to the number of employee positions described in this section that existed in the school corporation on January 1, 1993.

As added by P.L.2-2006, SEC.163. Amended by P.L.48-2011, SEC.34; P.L.229-2011, SEC.198.

IC 20-40-8-17

Uses; energy savings contracts

Sec. 17. Money in the fund may be used to pay for energy saving contracts entered into by a school corporation under IC 36-1-12.5.

As added by P.L.2-2006, SEC.163.

IC 20-40-8-18

Repealed

(Repealed by P.L.133-2012, SEC.193.)

IC 20-40-8-19

Uses; utility services; insurance

Sec. 19. Money in the fund may be used before January 1, 2016, to pay for up to one hundred percent (100%) of the following costs of a school corporation:

- (1) Utility services.
- (2) Property or casualty insurance.
- (3) Both utility services and property or casualty insurance.

A school corporation's expenditures under this section may not in a calendar year exceed three and five-tenths percent (3.5%) of the school corporation's 2005 calendar year distribution.

As added by P.L.2-2006, SEC.163. Amended by P.L.234-2007, SEC.230; P.L.146-2008, SEC.528; P.L.182-2009(ss), SEC.322; P.L.48-2011, SEC.35; P.L.162-2013, SEC.1.

IC 20-40-8-20

Uses; transfers to other funds

Sec. 20. Money in the fund may be transferred to another fund and used as provided by law. The laws permitting a transfer of money from the fund include the following:

- (1) IC 20-40-11-3 (repair and replacement fund).
- (2) IC 20-40-12-6 (self-insurance fund).
- (3) IC 20-49-4-22 (advance for educational technology program).

As added by P.L.2-2006, SEC.163. Amended by P.L.234-2007, SEC.231; P.L.286-2013, SEC.117.

IC 20-40-8-21**Transfer of money in the fund to replace lost property tax revenue; amount of transfer**

Sec. 21. Money in the fund may be transferred to another fund to replace property tax revenues lost to the fund as a result of the granting of circuit breaker credits under IC 6-1.1-20.6. A school corporation shall make a transfer of money under this section if the fund experiencing a shortfall is a debt service fund and money is not transferred from any other fund to cover the shortfall. The amount transferred must be equal to the amount of the shortfall that is not replaced from other funds.

As added by P.L.146-2008, SEC.478.

IC 20-40-8-22**Repealed**

(Repealed by P.L.229-2011, SEC.274.)