



State of Our Schools: Transportation and Facility Management

Over 60% of IPS-area public school students attend charter or innovation network schools, and that percentage continues to increase each year. Conversely, the district faces deepening enrollment and financial challenges, raising questions about its sustainability. The Indianapolis Local Education Alliance (ILEA) marks a once-in-a-generation moment to reimagine education for 46,000 Central Indianapolis public school students and forge a sustainable system.

SCHOOL FACILITIES AND TRANSPORTATION MANAGEMENT

requires significant financial and staffing resources to meet the needs of all students. The current reality of school and system governance in Indianapolis has led to schools and districts running multiple facility and transportation systems at the same time, while also managing their most important responsibility of ensuring a high-quality academic experience for all students.

There is growing interest in operations for all public schools within IPS boundaries, like transportation and facilities, to come under one authority. This could be an important step forward for our city's education system. **For this approach to ensure fair access for all students, the managing entity must be independent and free from conflicts of interest.**

* ILEA members have four primary pathways to consider for recommendations on transportation and facility management:

- **Create an independent authority for transportation and facilities for all public schools within IPS boundaries:** The authority would oversee transportation and facility asset management, operations, data collection, safety, and finances for all schools within IPS boundaries. This neutral, separate authority would not be solely managed by the district or charter schools, allowing for unbiased decision making.
- **Recommend IPS manage transportation for all public schools within IPS boundaries:** While this could add some additional access to transportation, there is an inherent conflict of interest and risk

of the district prioritizing students in IPS-operated schools over students from other school types, despite most public school students attending charter and innovation network schools. In 2024–2025, IPS-operated schools served 18,181 students, compared to 27,951 students in charter and innovation network schools. The same conflict of interest would be true if a charter operator managed transportation for all students within IPS boundaries.

- **Incentivize collaboration across sectors:** Instead of recommending lasting structural change, encourage innovative ideas for transportation and facility management between IPS and charter schools, such as recommending IPS participate in the transportation pilot or



transferring building ownership from the district to innovation charter partners. This risks siloed or duplicative efforts to address systemic issues, creating less notable improvements in access and efficiency.

- **Keep the status quo (decentralized):** No changes to the system and IPS and charter schools continue operating separately, risking continued inefficiencies and financial strain.

*** What are current facility management and access challenges?**

Although revenue continues to increase, enrollment in IPS-operated schools steadily declines, dropping 4% last year. According to IPS financials, the district faces an \$18 million dollar budget deficit this year, projects a \$44 million deficit in 2026, and a \$75 million deficit in 2027. The Rebuilding Stronger plan did not right-size the district’s facility footprint enough to alleviate underutilization of buildings or increase enrollment to lessen a looming financial crisis. With the re-opening of Broad Ripple and Howe, the district is now managing more square footage with fewer students than they did prior to Rebuilding Stronger. Charter school enrollment has steadily risen. In the 2024–2025 school year, 61% of students within or near IPS boundaries attended charter or innovation network schools. Independent charters and innovation charters are, as a sector, over-capacity, while the opposite is true for IPS-operated facilities.



READ OUR BLOG TO LEARN MORE ABOUT:



- **The “\$1 law” and how it impacts facility usage**
- **The transportation and facility pilot program**

APPROXIMATE FACILITY UTILIZATION RATES*

- IPS-OPERATED: 57.5%**
- INDEPENDENT CHARTER: 128%**
- INNOVATION CHARTER: 118%**

*Based on square footage previously collected from school operators and innovation charter information provided by IPS during the Rebuilding Stronger planning period

Unlike school districts, charter schools do not have dedicated revenue sources to address facility needs. Districts can issue municipal bonds or raise funds through capital referenda, options that are not available to charter schools.

*** What are current transportation management and access challenges?**

Schools of all types face challenges with driver shortages, rising costs, routing, maintenance, and other logistics. In Indianapolis, multiple school transportation systems run at the same time, with an unequal balance of what each school type can offer. Schools in Indiana must use operating funds, which are funded by property tax revenue, to pay for transportation costs. Since charter schools do not have full access to property tax revenue, this funding disparity has led to an unequal transportation access between district, innovation, and charter schools.

IPS currently manages transportation services for students attending IPS-operated schools and some innovation network schools that opt in to services. Many independent charter schools offer some level of transportation service, but are limited in their reach since property tax sharing has not yet phased in.

IPS transportation costs are higher than many charter school transportation costs. At the September 2025 ILEA meeting, IPS shared the cost per student for the 2025–2026 school year is \$2,300, with

an estimated increase to \$2,500 for next school year. Victory College Prep, a K-12 charter school, has the city’s second largest transportation network after IPS. Their cost per student is approximately \$1,700 per student.

Since the majority of students who reside within the IPS boundaries actually attend a charter or innovation network school, the ILEA should consider recommendations that expand access to safe, reliable school transportation for all students.

*** What is the Indianapolis transportation and facilities pilot?**

HEA 1515 created the School Facilities and Student Transportation Pilot Program, designed to promote innovative, collaborative solutions that improve how school transportation and building resources are managed across public, charter, and nonpublic schools. Managed by the Indiana Department of Education (IDOE), the pilot program aims to help schools and districts across the state address common transportation and facility management challenges.

A coalition of more than 50 Indianapolis schools representing more than 22,000 students applied and were accepted into the three-year pilot program, which will be coordinated by TogetherEd, a nonprofit that works with schools and community organizations to strengthen operations, finance, and other systems.

Indianapolis’ education landscape needs bold structural change that improves services, spends taxpayer dollars wisely, and ensures schools can strengthen their focus on their true goal of academic excellence.



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