

Career Academy of South Bend, Inc.
 Minutes of Meeting of Board of Directors
 January 24, 2017

Directors Present: Daniel Adams, Thomas Coley, Larry Davis, Larry Garatoni, Michael Garatoni, Marian Hodges, Dave Risner, Lori Smith, Steven Van Bruaene
 Absent : None
 Staff Attending: Lydia Jagger, Dean Fecher, Jackie Black, Tami Collins, Alex Hammel
 Also Attending: Charles Loeser, Lindsay Omlor, Emily Kleinschmidte

Larry Garatoni called the meeting to order at 5:50 pm at the Career Academy, 3801 Crescent Circle, South Bend, and led the Pledge of Allegiance.

Dean Fecher spoke about Tristian Moore, the Success Academy fifth grader who was killed in a traffic accident yesterday morning. Tristian was a wonderful child and was making great progress. The board observed moments of silence in respect of Tristian.

A. Minutes of Prior Meeting. The minutes of the prior (December 6) meeting were unanimously approved.

B. School Operations.

1. NWEA Scores.

i. Career Academy. Lydia Jagger reported that mid-year NWEA scores show seventh and eighth graders advancing at rates well above national norms:

Grade 7	Math				Reading		
	Fall	Winter	Change		Fall	Winter	Change
National	222.6	226.1	+3.5	National	214.4	216.9	+2.5
CASB	211.5	219.0	+7.5	CASB	208.8	214.8	+6.0

	Language Use				Science		
	Fall	Winter	Change		Fall	Winter	Change
National	214.0	216.5	+2.5	National	207.2	209.5	+2.3
CASB	206.3	213.2	+6.9	CASB	202.7	208.0	+5.3

While seventh graders started below the national norm in all subjects in the Fall, they caught up substantially in all subjects:

- In Math starting at 95.0% of the norm and ending at 96.9%
- In Reading starting at 97.4% of the norm and ending at 99.0%
- In Language Use starting at 96.5% of the norm and ending at 98.5%
- In Science starting at 97.8% of the norm and ending at 99.3%

CASB eighth graders had somewhat less growth than seventh graders but started and finished in stronger position:

Grade 8		Math			Reading			
	Fall	Winter	Change		Fall	Winter	Change	
National	226.3	229.1	+2.9	National	217.2	219.1	+1.9	
CASB	215.4	220.1	+4.7	CASB	215.7	221.5	+5.0	
							[5.8]	

		Language Use			Science			
	Fall	Winter	Change		Fall	Winter	Change	
National	216.2	218.1	+1.9	National	210.3	212.3	+2.0	
CASB	215.5	218.8	+3.1	CASB	209.9	213.9	+4.0	

Eighth graders started below the national norm in all subjects in the Fall, but by mid-year exceeded national norm in all subjects but math:

- In Math starting at 95.2% of the norm and ending at 96.1%
- In Reading starting at 99.3% of the norm and ending at 101.1%
- In Language Use starting at 99.7% of the norm and ending at 100.3%
- In Science starting at 99.8% of the norm and ending at 100.7%

Lydia noted that these scores do not include students who have enrolled during the school year, many of whom are strong students. Larry Davis asked how many of the seventh graders were with us last year. Lydia said roughly 100 seventh graders were with us in sixth grades, 13 are new. 90% of this year's eighth graders were with us last year,

Lori Smith said these are impressive results but asked why isn't this publicized more? Lydia said our marketing in general has been very limited this year, we should do more, perhaps the new marketing director, scheduled to join us next week, will help.

Lydia asked two of the seventh and eighth grade teachers to come forward, Wesley Weber and Amy Ryan. Wesley and Amy said working together in teams and cross-teaching, such as incorporating vocabulary in science and stressing the importance of reading for math, helps a great deal.

ii. Success Academy. Dean Fecher reported that mid-year NWEA testing was completed for Grades 2, 5 & 6, all of which showed growth in excess of national norms:

Grade 2		Reading			Math			
	Fall	Winter	Change		Fall	Winter	Change	
National	174	184	10	National	177	186	9.0	
SASB	162	176	14	SASB	165	179	14	

Dean summarized

- 2nd grade grew 14 points from Fall to Winter in reading. The expected growth for the semester is almost 10 points, and the expected growth for the year is 14 points. **On average, students have already made a year's worth of growth this first semester.**

- 2nd grade on average started the year with a reading score equivalent to the beginning of 1st grade. By the end of this semester the reading scores are now equivalent to the beginning of 2nd grade. If they continue to grow at this rate students will on average be at grade level by the end of the year.
- 2nd grade grew 14 points from Fall to Winter in math. The expected growth for the semester is almost 10 points, and the expected growth for the year is 15 points. **On average, students have already made just under a year's worth of growth this first semester.**
- 2nd grade on average started the year with a math score equivalent to the first quarter of 1st grade. At mid-year math scores are equivalent to the end of the 1st grade level. If they continue to grow at this rate students will on average be about the third quarter of the 2nd grade by the end of the year.

Marion asked how these results were achieved. Dean said largely due to a team approach and the work of interventionists. Dean noted that growth is generally greater in the first semester than the second.

Dean reported fifth grade growth was also well in excess of national norms:

NWEA Fall of 2016

5 th Grade	Mean	Norm	Difference
Reading	198	206	-8
Math	204	211	-7

NWEA Winter of 2016-17

5 th Grade	Mean	Norm	Difference	Growth	Semester Expected Growth	Year Expected Growth
Reading	206	209	-3	8	4.2	6.1
Math	215	217	-2	11	5.8	9.9

5th grade grew 8 points from Fall to Winter in reading. The expected growth for the semester is 4 points, and the expected growth for the year is 6 points. **On average, students have already made over a year's worth of growth this first semester.**

5th grade on average started the year with a reading score equivalent to the beginning of 4th grade. At mid-year the reading scores are now equivalent to the beginning of 5th grade. If they continue to grow at this rate students will on average be at grade level by the end of the year.

5th grade grew 11 points from Fall to Winter in math. The expected growth for the semester is almost 6 points, and the expected growth for the year is almost 10 points. **On average, students have already made over a year's worth of growth this first semester.**

5th grade on average started the year with a math score equivalent to the middle of year 4th grade. By the end of this semester the math scores are now equivalent to the middle of the 5th grade. If they continue to grow at this rate students will on average be **above grade level** by the end of the year.

Dean said sixth grade growth was also in excess of national norms:

NWEA Fall of 2016

6 th Grade	Mean	Norm	Difference
Reading	204	211	-7
Math	209	217	-8

NWEA Winter of 2016

6th Grade	Mean	Norm	Difference	Growth	Semester Expected Growth	Year Expected Growth
Reading	210	214	-4	6	3.2	4.8
Math	216	222	-6	8	4.4	7.7

6th grade grew 6 points from Fall to Winter in reading. The expected growth for the semester is 3 points and the expected growth for the year is almost 5 points. **On average, students have already made over a year's worth of growth this first semester.**

6th grade on average started the year with a reading score equivalent to the end of the year 4th grade. By the end of this semester the reading scores are now equivalent to the end of the 5th grade. If they continue to grow at this rate, students will on average be at grade level by the end of the year.

6th grade grew 8 points from Fall to Winter in math. The expected growth for the semester is 4 points and the expected growth for the year is almost 8 points. **On average, students have already made a year's worth of growth this first semester.**

6th grade on average started the year with a math score equivalent to the end of year 4th grade. By the end of this semester the math scores are now equivalent to the end of the 5th grade. If they continue to grow at this rate students will on average be at grade level by the end of the year.

Dean asked some of the team members responsible for these excellent results to come forward, including Sixth Grade Team Lead Cheri Puetz, Fifth Grade Teacher Jessica Stoner, and

Interventionist Dan Easter. The Board applauded them and all their team-mates, and thanked them for their work.

2. Graduation Rate. Lydia announced that the high school's graduation rate rose from 42.4% in 2014-15 to 91.5% in 2015-16. Steven Van Bruaene asked what happened to the 58% who didn't pass in 2014-15? Lydia explained that most of those students left long before 2014-15: a student is counted for a school's graduation rate if he was enrolled in ninth grade and leaves without enrolling in another school. For example, if a student leaves Indiana and the IDOE is not provided with documentation of his enrollment in another school, that counts against the graduation rate. Since CASB for several years (through 2013-14) allowed The Crossing (not legally a "school" for IDOE purposes; legally an alternative education program under contract to teach students enrolled in others schools) to enroll many students at CASB, the effect on CASB's graduation rate of students who never actually attended CASB was substantial. Part of the reason for such a fundamental change in the graduation rate was eliminating that effect. Jacki Bustos, Grade 11-12 teacher, said while that's a factor, there has also been major academic approval, as reflected by ECA test results.

3. School Grades. Lydia said the high school has been given an accountability grade of "F" for 2015-16, which is frustrating because the grade is based on the 2014-15 graduation rate rather than the 2015-16 rate. Using the 2015-16 graduation rate and College/Career Readiness (CCR) data, Lydia said, the grade would be an "A". Lydia said the middle school has been given a "C" grade. Dean said the primary school has been given an "F" grade, which is frustrating since the grade is based entirely on 74 fourth graders, roughly 1/6 of the K-4 students, so no consideration is given to the other grades having greater growth (per NWEA results) than fourth grade. The primary school's score of 59.7 was within 0.3 points of a higher grade, close enough that a moderate improvement by a single student would have meant a higher grade.

4. Appeals Filed. Charles Loeser said appeals have been filed as to the grades assigned to the high school and primary school. Logically and legally, the appeals seem valid, but it remains to be seen whether the IDOE will be open to considering, as the rule states, "any objective evidence."

5. Property Donation. Alex Hammel announced that after extensive discussion, the City of South Bend has donated to CASB, at no charge, the two vacant lots south of the entrance drive to the Career Academy. There needs to be considerable work to determine how the extra land can best be used, but extra parking and a soccer field are under consideration. Alex said this study will be done in part by the students, it will be a good exercise for project-based learning.

6. Food Service Update. Alex explained that as of the return to school in January, food service is being provided by a different company, Chartwells, which is the leading company in the industry. So far it appears that lunches and breakfasts are considerably

improved; from comments to-date and observation, students are welcoming the change. Roger said there's a big change, it's widely agreed that the food is much better.

7. Robotics Competition Kickoff. David Ebersoll, who teaches Algebra and geometry, explained he started the robotics program at CASB and has been one of the coaches every year, together with Roger Johnson. It is now 18 days into the season, Dave said, and the kids are working very hard – in the evenings until 9pm and from 9am to 5pm on weekends. This lasts for six weeks, it's short at intense. The first event will be at Penn High School March 10-12. There will be events in Indianapolis March 23-25 and in Chicago later in March, followed by "nationals" in St. Louis. Whether the CASB team can raise enough to go to all the out of town events remains to be seen. There are 34 students participating, including 14 girls. The team is open to grades 9-12: there are 3 seniors and 5 juniors, most of the team is younger (many schools allow only seniors). There are 12 volunteer adult mentors helping. Larry Garatoni asked what's the budget? Dave said \$60,000 but \$33,000 has already been collected. Funding is a combination of grants together with school funding. The program has a 126-page manual, students are tested on it during the first week of the season. It is a very popular program with students.

C. Financials. Jackie Black presented the financial statements for November, 2016. The consolidated income statement showed revenue for November of roughly \$745,000, slightly less than \$27,000 below budget, with year-to-date (July 1-November 30) revenue of roughly \$4,345,000, slightly less than \$144,000 below budget. YTD operating expenses of roughly \$3,826,000 are \$42,645 below budget.

Mike Garatoni asked how many openings are there for additional students. Alex said the buildings could accommodate an additional 200 students. Alex noted usually enrollment declines during the school but that's much improved this year.

Charles Loeser noted that having revenue of roughly \$520,000 more than operating expense is a significant improvement over the past; what produces the loss are charges for the loan repayment fund (\$154,324) and Capital Expenditure Fund (\$125,000) plus noncash items: depreciation and amortization expense (\$572,313) and interest on loans from Larry Garatoni and his foundation (\$111,922). Subtracting the loan repayment fund and Capital Expenditure Fund from the \$519,568 excess of revenue over other operating expenses leaves \$240,344 in net operating cash flow, which the depreciation/amortization and loan interest costs convert to a YTD loss of \$443,901.

Larry Garatoni said the Loan Repayment Fund and Capital Expenditure Fund are essential, not discretionary. The schools need to be able to cover debt service and capital costs.

Larry Davis asked what's the status of teachers having access to supplies. Lydia said the system is working well. Dean agreed, teachers are living within budgets. Parise Easton, Kindergarten team leader, said her team meets about their budget every week. Larry Davis asked if the process can be simpler. Alex said many elements of the financial statement are

driven by regulatory requirements. Dean said while that's true, for purposes of most team members the process isn't that complicated: if something is within the budget, it's allowed. Larry Davis said the more trust there is, the better.

Jackie explained she's working (with Larry's guidance) on a revision/write-up of the budget process, but it's going to take time, in part because the entire accounting department is new.

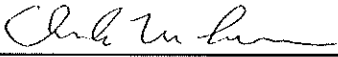
Upon motion duly seconded, the financial statements were approved.

D. Questions and Comments.

Larry Davis suggested when there is good news about the school, it would be helpful to board members to be notified so they can spread the word. Alex said the new marketing director, who starts next Monday, is expected to make far more information available on the school websites. Roger noted the schools have six Facebook pages, which are pretty active.

Lori asked if a script program has been considered. Lydia said the PTO is working on it. Roger said there will be a script program for Career soon, as a parent he's working on it as a member of the PTO, and when it's been done for Career he'll replicate it for Success.

As there were no additional comments, Mr. Garatoni declared the meeting adjourned at 7:15 pm.



Charles M. Loeser, Assistant Secretary