

Career Academy of South Bend, Inc.
Minutes of Meeting of Board of Directors
November 14, 2017

Directors Present: Daniel Adams, Steven Van Bruaene, Thomas Coley, Larry Davis, Larry Garatoni, Michael Garatoni, Marian Hodges, Dave Risner, Lori Smith

Absent: None

Staff Attending: Alex Hammel, Kim Richardson, Lydia Jagger, Dean Fecher

Also Attending: Charles Loeser (by phone), Brian Pawlowski, Emily Kleinschmidt

Larry Garatoni called the meeting to order at 5:50 pm at the Success Academy, 3408 Ardmore Trail, South Bend.

A. Minutes of Prior Meeting. The minutes of the prior (October 24) meeting were unanimously approved.

B. Authorizer Update. Emily Kleinschmidt, representing Education One/Trine University, updated her findings on the charter agreement accountability standards for the schools. For Success Academy, the quality of instruction has improved but the school is ranked as approaching rather than meeting the charter agreement standards. Career Academy Middle School and Career Academy High School are meeting the charter agreement standard for instruction and their ISTEP pass rates are higher than the comparison public schools.

C. Financial Statements. Kim Richardson presented financial statements for October, focusing on year-to-date totals (July 1-October 31). Total revenue of roughly 3.97M is roughly \$290,000 over budget, of which roughly \$188,000 is revenue of the food service program.¹ The next largest variance was a grant of roughly \$54,000 received from the Lilly Foundation in October, which was not budgeted since the grant was competitive and receipt was uncertain.² The expense total year-to-date is almost exactly as booked despite food service cost (roughly \$158,000) not having been budgeted.³ Cleaning costs are over budget due to higher charges through October but the new contractor as of November has committed to lower charges so this variance should not increase. Of the \$504,000 budgeted for capital expenditures, \$443,000 has been spent (the largest items being \$296,000 for the Career building new roof and \$55,000 for student laptops). This should not be a problem as there aren't many additional capital expenditure requirements. A motion to approve the financial statements was approved.

D. School Operations.

1. Student Body. Alex presented a report in response to prior Board inquiries showing the number of students in each grade this year who attended Success or Career last year. Over grades K-11 as a whole, roughly 72% of students returned. Dave Risner asked if this is unusual and if we know where departing students are going. Alex said data on this is very limited but what we have gathered from families shows the majority of departures are due to families moving. Dean Fecher said many students have left due to difficulty

¹ Food service revenue YTD has exceeded food service cost by roughly \$30,000.

² The grant is payable over four years but only the first year portion has been booked.

³ Much of the expense variance is due to a timing issue which will reverse as the year progresses: the expected annual part-time employee cost is budgeted over 12 months but paid over ten months.

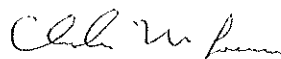
getting kids to school without bus service. Alex said that we have records on what schools departing students go to, since we send student records to the transferee school. Larry Garatoni said we should compile this data even if we have to hire temp help. Alex said this will be done. Unfortunately the state does not track this. Lydia said the IDOE publishes data allowing look-up of individual students to see where they've transferred to (if in-state), so it would be feasible to look up the students we've lost but no state-wide comparison is feasible. Marian asked what would we do with the data? Alex said it may be possible to address certain causes, but national data on the issue of mobility shows that in a one-year period, roughly 28% of families living in poverty (qualifying for free lunches) moved. Larry said if a third of our students are new every year, it will be difficult to achieve pass rates as high as in suburban schools with more stable student bodies. Steve said that Ruby Payne's research shows that low-income families often move due to debt problems. Steve said he's experienced this in his work in the Mishawaka school system and that Payne's books offer suggestions for retaining students. Dave Risner noted it's important to know what happens to students who transfer out of the high school since they are counted against our graduation rate unless they register with another school.⁴

2. Bus Purchase. Alex reported a standard size school bus has been purchased (\$20,000, used) to improve shuttle service between Career and Success beyond what could be done with the two 15-passenger buses. It is important that a family can drop off or pick up students at either location, i.e., a family with students at both locations doesn't need to go to both. We do not provide home to school bus service for any students but the City runs a bus from the downtown Transpo center to the school. We use a carpool software program to help parents find carpool partners.

3. Housekeeping Update. Alex reported the new contractor began service at the beginning of November and it has gone well; service is better as well as less expensive.

4. Benefits Cost Update. Alex reported that the cost adjustment for benefits effective January 1 has been received and the increase is 5.8%, slightly less (about \$4,000) than budgeted. Aetna advised many companies are receiving increases of 20% or more, so this is good news.

E. Questions and Comments. There being no questions or comments, the meeting was adjourned at 7:05 pm.



Charles M. Loeser, Assistant Secretary

⁴ Statements at the meeting were that a student leaving the high school is unavoidably ours for accountability purposes but see IDOE memo at <http://www.doe.in.gov/sites/default/files/attendance/student-graduation-rate-unknown-location-04-10-17.pdf>.