

Career Academy of South Bend, Inc.
Minutes of Meeting of Board of Directors
June 25, 2019

Directors Present: Steven Van Bruaene, Larry Garatoni, Michael Garatoni, Marian Hodges, Dave Risner, Lori Smith
Absent: Daniel Adams, Thomas Coley, Larry Davis
Staff Attending: Alex Hammel, Kim Richardson
Also Attending: Charles Loeser, Emily Gaskill

Larry Garatoni called the meeting to order at 5:10 pm at the Career Academy, 3801 Crescent Circle, South Bend.

- A. Prior Minutes. The minutes of the prior (April 30) meeting were approved.

- B. Board Governance. Larry said he had spoken to three highly qualified candidates who are willing to serve on the CASB board:
 1. Chad Hartzell, Executive Director/Talent & Organization Development, Beacon Health System.
 2. Mark Melnick, Executive Director/Workforce Strategic Partnerships, Ivy Tech College.
 3. Kay Antonelli, retired Assistant Superintendent, South Bend Community Schools.

Larry suggested that they join the board at its August meeting, replacing Steve Van Bruaene, Dave Risner, and Thomas Coley. After discussion, Dave moved that the Board's composition as of August 1 be as follows:

Board Member	End of Current Term
Lawrence Garatoni	October 1, 2020
Lori Smith	October 1, 2020
Mike Garatoni	October 1, 2021
Dan Adams	October 1, 2021
Marian Hodges	October 1, 2021
Chad Hartzell	October 1, 2022
Mark Melnick	October 1, 2022
Kay Antonelli	October 1, 2022

The motion was seconded and approved. Larry suggested that appointment of officers and formation of appropriate committees be scheduled for the October meeting.

C. Budget For 2019-20.

Kim Richardson (Business Manager/CFO), presented the 2019-20 budget for the Corporation and the three schools, based on management's estimate that this fall's enrollment will be the same as for the 2018-19 school year, i.e., 305 for the high school (CAHS), 348 for the middle school (CAMS) and 611 for the primary school (SAPS). The enrollment used for projection will be adjusted to actual 2019-20 enrollment after Count Day this September. Capital expenditures have been projected at \$249,447. For the first time, an amount (\$195,000) has been budgeted to start a reserve fund for future years for loan principal payments and capital expenditures. Net operating cash flow after budgeted expenses, capital expenditures and loan principal payments is projected at \$68,930. Upon motion, the proposed budget was approved.

D. School Operations.

1. Enrollment Update. Alex reported that enrollment has gone well. As of yesterday, 400 new applications have been received, the majority being for kindergarten (111) and sixth grade (130), which are the two primary entry years. It appears there will be more applicants than seats, at least for some grades, so there needs to be a cut-off figure for each grade, above which applications will be accepted only on a waiting list basis, i.e., the applicant would be admitted if an earlier-enrolled application doesn't come. Since we know there are always a significant number who apply or submit "intent to return" forms after having been enrolled for the prior year, the cut-off figure will be set at what we consider optimum class size plus what we expect in no-shows. Alex noted that enrollment application is much easier this year since it can be done on-line. Marian asked are we doing anything to accommodate people who don't have internet access at home. Larry said that that is one of the issues we should address in a plan for supplemental services, which he and Alex will work on in coming months.

2. New Principals. Alex reported that two new principals have been hired for the 2019-20 school year. Replacing Lydia (who is retiring) as principal of the high school will be Jeremy Luginbill, who comes to CAHS from Michigan City High School, where he was Associate Principal. Last year Lydia was also principal of the middle school and Nick Garstka was Assistant Principal for both schools, but next year Nick will be principal of the middle school and there will be no assistant principal.

3. Food Service Program. Alex reported that the food service program through Chartwells has been going well: the kids like the food, which is healthy, and the program is generating revenue rather than costing us, as the prior program did. Services have been expanded to include snacks and dinners. Success has qualified for the National School Lunch Program "Community Eligibility Provision" meaning that the school as of the 2019-20 school year (and for years thereafter) can offer (and be reimbursed for) both breakfast and lunch for all students, thereby eliminating the need to identify what students meet the usual low-income requirement.

Kim Richardson noted that the school lunch program requires that funds obtained through operation of a food service program must be used for that purpose only; in the future, CASB's balance sheet will include identification of the amount of cash on hand that's restricted to food use only. Alex observed that there is considerable discretion how to use such funds, and that we can get this information from the IDOE. Marion suggested we use the food-service revenue to teach kids about nutrition.

Alex advised he has extended the Chartwells' contract for another year (through 2019-2020) at a very low price increase from the prior year. Larry reported we've received a \$30,000 award for purchase of food service equipment.

4. Status of Class of 2019. Alex reported that in response to the board's request, the school has been in communication with 2019 graduates, whose status is as follows:

Going to 2-year college	9
Going to 4-year college	17
Joining military	2
Welding certificates	6
Starting jobs	9
Undecided	8
Total	51

E. Financial Reports. Kim Richardson reported that the audit for the fiscal year ending 6/30/2018, which was to have been completed this month, has been delayed but it is expected the delay will be short. Kim presented financial statements for May and for the 2018-19 fiscal year (beginning July 1) through the end of May, in comparison with the revised budget. The year-to-date income statement showed a positive variance (improvement) from budget in revenue of \$64,056 and a positive variance (savings) in expenses of \$270,082, producing a positive variance in net positive cash flow of roughly \$338,000. Upon motion made and duly seconded, the financial statements were approved.

F. Trine Report. Emily Gaskill presented Trine’s annual reviews of the three schools’ status under the charter agreement standards, which have been published on Trine’s website as follows:
<https://education1.org/our-schools/education-one-sponsored-schools/school-results/>

SASB: <https://educationoneblog.files.wordpress.com/2019/06/2018-19-annual-review-sasb.pdf>

CASB MS: <https://educationoneblog.files.wordpress.com/2019/06/2018-19-annual-review-casb-ms.pdf>

CASB HS: <https://educationoneblog.files.wordpress.com/2019/06/2018-19-annual-review-casb-hs.pdf>

The high school has an overall standing of “meets standard” and on a number of key indicators is “exceeding standard.” For example, the charter agreement standard is that students who have attended CAHS for the prior year (“legacy students”) should have a pass rate on the English/Language Arts ISTEP test (or other state test replacing ISTEP) at least as high as the state average. Since the 2017-18 state average was 58.9% and CAHS legacy students had a pass rate of 81.5%, CAHS exceeded the requirement by 22.6%. Similarly, for the math ISTEP, the state average was 36.2% and CAHS legacy students had a pass rate of 55.6%, which was 19.4% above the requirement. While ISTEP is given in high school only in tenth grade, similar results were achieved by CAHS students in ninth grade, eleventh grade and twelfth grade based on the “Pivot” test used by CAHS to measure proficiency.

The middle school has an overall rating of “approaching standard” since for the majority of standards it is close but short of the charter agreement goal. On the key factor of subgroup growth to proficiency, all six of the middle school subgroups made sufficient growth to achieve, maintain or exceed grade level proficiency, with subgroup growth-target achievement by the subgroup being (by percentage):

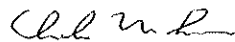
African-American:	83%
Multi-Racial:	83%
White:	82%
Hispanic:	71%
Free/Reduced Lunch:	81%
Special Education:	84%

These growth to proficiency rates resulted in a finding of “exceeds standard” for growth by subgroups.

The primary school also has an overall rating of “approaching standard” but “exceeds standard” as to its state accountability grade (Success Primary was a “B” school under the Indiana accountability system) and its federal accountability grade (SAPS was an “A” school under the federal standard).

Trine is pleased with the progress this year of all the schools, Emily said.

There being no further business, the meeting was adjourned at 6:30 pm.



Charles M. Loeser, Assistant Secretary