

Career Academy of South Bend, Inc.
Minutes of Meeting of Board of Directors
September 26, 2017

Directors Present: Daniel Adams, Steven Van Bruaene, Thomas Coley, Larry Davis, Larry Garatoni, , Marian Hodges, Dave Risner
Absent: Michael Garatoni, Lori Smith
Staff Attending: Alex Hammel, Kim Richardson, Dean Fecher, Lydia Jagger
Also Attending: Charles Loeser, Lindsay Omlor, Brian Pawlowski

Larry Garatoni called the meeting to order at 5:25 pm at the Career Academy, 3801 Crescent Circle, South Bend.

A. Minutes of Prior Meeting. The minutes of the prior (July 17) meeting were unanimously approved.

B. Budget Update. The 2017-18 budget as approved at the prior meeting was updated (attached Exhibit A) to reflect greater than expected enrollment (budget had been based on: primary school 650, middle school 350, high school 225 for total of 1225; current enrollment is primary school 648, middle school 334, high school 293 for total of 1275) and unanticipated costs (added staff members, purchase of a bus, etc.). The update was approved.

C. Financial Reports. Larry stated that August financial statements have not been completed.

D. School Operations.

1. Enrollment.

a. Map. Alex Hammel provided a map marked to show where CASB and SASB students live (separate maps for each school are not available but Alex's team is working on improvements to the report). The schools are attracting more students from beyond the west side of South Bend. About 25 students get to CASB on a Transpo bus. The school does not have demographic data on students' parents.

b. Marketing Review. Rob Koehler, CASB Marketing Director, gave a presentation on the ongoing marketing program, including but not limited to the summer campaign. The key, Rob said, is to attract visits to the buildings: parents and students who visit one of the buildings usually sign up.

2. Traffic Control.

a. Carpool. Alex said it was not possible to buy buses and hire drivers for school-home service. Instead the school is providing an app to help parents connect with each other to carpool. About 60 parents have signed up.

b. Shuttle Service. The schools have expanded and will further expand the shuttle service between the primary school and the middle school/high school, so that families with students enrolled at both sites can drop off/pick up at a single site. This service has been so popular with parents that the two 14-passenger vans are not enough: a full-size bus will be purchased to expand the service.

3. Review of ISTEP Scores.

a. High School and Upper Middle School. Lydia Jagger commented on the memo distributed to board members showing that high school (Grade 10¹) and upper middle school (Grades 7-8) pass rates improved from 2016 to 2017 except for Grade 7 English. She knows why the Grade 7 English score did not improve and has taken corrective action. Grade 10 pass rates were up by roughly 5% in English and 13% in math, Grade 8 was up by roughly 3% in English and 12% in math, Grade 7 was down 2.6% in English and up 3% in math. Growth (including improvement for students who passed in both years or did not pass in both years) was strong in all grades. Overall, however, pass rates were below the schools' target rates; plans for further growth are being implemented, such as the purchase of software providing teachers with feedback from each student's tests. Lydia said that the format of the new ISTEP test is more challenging than in past years: many students know the material but are not able to answer the questions because of the form of questions in the new test. This coming year there will be more focus on teaching students to respond in the way the tests require. That's not a criticism of the test: the new form requires deeper thinking and greater skill in expression, which is highly desirable. The bottom line is that while the 2017 improved pass rates and high growth rates are welcome, much remains to be done to reach target scores.

b. Primary School and Lower Middle School. Dean Fecher noted that pass rates for the primary school (Grades 3 and 4²) were down but growth rates³ were up. Pass rates for lower middle school English were up roughly 5% for both Grade 5 and Grade 6, while pass rates in math were up roughly 18% in Grade 5 and 8% in Grade 6. Growth was up sharply in all grades (4-6). This year at Success (now K-5) there will be a new approach, "Success Time": test results will be used to divide students into ability-based groups so that differentiated instruction can focus on what's appropriate for each group. Over the course of a year, this should allow for addressing the deficits students arrive with. There are four new fourth grade teachers and there's been substantial progress the last two years (the school's first two years) in classroom management, which is a key requirement for effective learning. Last year's improved growth is welcome but there's much to do.

4. Property Development. Alex reported that about two and a half acres of the roughly nine acres of vacant land acquired south of the Career Academy building have been cleared and planted with grass. His father-in-law and uncle (one a farmer, the other a construction manager) came down from Wisconsin to do this at a bargain price over a weekend. Students are very happy about this, for the first time there's substantial green space next to the building. We have hired Panzica architects to do a study on how the land can best be used for three purposes: (i) a parking lot or other use to improve traffic flow at drop off and pick up; (ii) athletic fields; (iii) space for outdoor classes (we have a new teacher with extensive experience with outdoor classes). Kids can use the green space and woods to some extent already, but essentially this year will be a plan/build year, with the goal of the new land being fully in use at the start of the 2018-19 school year.

5. One to One Update. Alex introduced Andy Sarbacker, who's been with CASB as a science teacher for two years and is now the school's instructional technology coach leading the one-to-one program. That's been a big step for the school, both as an investment and in changing how instruction and learning are done. Andy said the first phase was building a culture of respect and purpose behind having these devices. Rolling out the use of 630 laptops is a daunting task. There are also 30 carts, each housing from ten to 36

¹ ISTEP testing is not done in Grades 9, 11 and 12.

² ISTEP testing is not done in Grades K, 1 and 2.

³ For Grade 4 only: since Grade 3 is the first test given, there is no baseline to measure growth in Grade 3.

laptops. The program has provided each high school (9-12) and middle school (6-8) student with a laptop to use at school every day. The machines are kept at the school and charged at night. The first month now past, the program is now at the difference-making phase, when Andy's job is to be in the classrooms every day helping teachers use this technology effectively and efficiently. For students, the goal is to combine a sense of responsibility and fun. So far it seems to be going well: the kids haven't damaged the machines, student engagement is up, and teachers are doing a good job in a unified way. Teachers are also dealing with a new student information system, called PowerSchool, and a learning management system, called Canvas, which many of our teachers are familiar with from Project Lead The Way. Andy's goal is to help teachers use this technology effectively, not as a baby-sitter or substitution, which tends to happen when laptops arrive in classrooms of teachers who lack training in how to use them. Writing an essay on a laptop instead of with paper and pencil is a necessary skill but that's just substitution; the payoff comes when students use the machines to do things they couldn't otherwise do. These machines can enable students to have more control of their education. Lindsay Omlor said that in her observation of classes last week she saw teachers using the laptops very effectively, which surprised her since she's seen many one-to-one programs fail, which happens more often than not. Students were very engaged, collaborating well; it was awesome. Alex said this is a good start, this is important to being an innovative school, in the long run this will be a tremendous benefit.

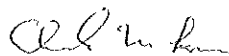
E. Charter Accountability Review. Lindsay reported her conclusions from last week's site visits to the three schools, using the accountability rubric as detailed at prior meetings. Many of the factors are identical for the three schools, e.g., financial security standards are satisfied via the Garatoni Foundation commitment of support, but the financial management standard is not met due to August financial statements not being completed and the 2015-16 audit not being completed (both of which Kim Richardson said would be done soon). As to standards for which there is current data and which differ among the schools, Lindsay said:

1. Success Academy Primary School. From Lindsay's observation, SAPS did not meet the "Instruction" standard, which has six requirements: (i) curriculum implementation; (ii) instruction is standards-based; (iii) pacing and rigor is appropriate for each grade level; (iv) instruction is being differentiated so that every student is taught at his/her ability level; (v) management of the classroom is engaging students; (vi) students are receiving timely feedback which helps them grow. Lindsay judged more than 50% of classes at SAPS as not meeting, for September, the factors of pacing/rigor, differentiation, and feedback; not meeting three of the six factors means not meeting the standard. Lindsay explained she visits every classroom and discusses each with school management. The standard based on the IDOE Accountability Grade is met (since the IDOE has advised that SAPS will receive a "C"). The standard for comparison to surrounding demographically similar schools cannot be scored since growth data for other schools is not yet available, but since "performance" (pass rate) data is available, it is noteworthy that SAPS scores higher than the comparison schools for four of the eight scores.

2. Career Academy Middle School. CAMS was judged to meet all the Instruction factors other than rigor, so is "approaching" satisfaction of the standard. The State Accountability Grade factor is exceeded since the IDOE advises CAMS will receive an "A" grade. In the comparison with surrounding similar schools, CAMS outscores all three schools in ISTEP pass rates for both English and math.

3. Career Academy High School. Like CAMS, CAHS was judged to meet all the Instruction factors other than rigor, so is "approaching" the standard. And as with CAMS, the State Accountability Grade standard is exceeded since the IDOE advises CAHS will receive an "A" grade. Similarly, in the comparison with surrounding similar schools, CAHS outscores all three schools in ISTEP pass rates for both English and math.

F. Questions and Comments. There being no questions or comments, the meeting was adjourned at 7:15 pm.



Charles M. Loeser, Assistant Secretary

Exhibit A: Updated Budget

Career Academy South Bend Inc	Proposed Revised	Board Approved Budget		
2017 - 2018 Budget Summary	<u>Budget 9/5/17</u>	<u>7/18/17</u>	<u>Variance</u>	
<u>Revenue</u>				
<u>Primary School</u>				
Tuition Support	\$ 3,416,904.00	\$ 3,427,450.00	\$ (10,546.00)	(1)
Honors Grant	-	-	-	
Special Education	306,778.23	306,778.23	-	
Vocational Education (CTE)	-	-	-	
Complexity	1,057,425.84	1,060,689.00	(3,263.16)	(1)
Title I	258,760.55	258,760.55	-	
Textbook Fees	15,300.00	15,300.00	-	
Textbook State Reimbursement	<u>38,766.00</u>	<u>38,766.00</u>	<u>-</u>	
PS Subtotal	5,093,934.62	5,107,743.78	(13,809.16)	
<u>Middle School</u>				
Tuition Support	1,761,182.00	1,845,550.00	(84,368.00)	(1)
Honors Grant	-	-	-	
Special Education	260,497.51	260,497.51	-	
Vocational Education (CTE)	-	-	-	
Complexity	346,568.42	363,170.50	(16,602.08)	(1)
Title I	170,206.94	170,206.94	-	
Textbook Fees	16,375.00	16,375.00	-	
Textbook State Reimbursement	<u>17,082.00</u>	<u>17,082.00</u>	<u>-</u>	
MS Subtotal	2,571,911.87	2,672,881.95	(100,970.08)	
<u>High School</u>				
Tuition Support	1,544,989.00	1,186,425.00	358,564.00	(1)

Honors Grant	6,259.39	6,259.39	-	
Special Education	252,828.94	252,828.94	-	
Vocational Education (CTE)	182,156.95	182,156.95	-	
Complexity	212,882.08	163,476.00	49,406.08	(1)
Title I	120,766.16	120,766.16	-	
Textbook Fees	24,822.00	24,822.00	-	
Textbook State Reimbursement	9,672.00	9,672.00	-	
HS Subtotal	2,354,376.52	1,946,406.44	407,970.08	
Central Office			-	
Special Education Federal Support (Part B)	280,000.00	280,000.00	-	
Medicaid Reimbursement	2,000.00	2,000.00	-	
Title II	54,000.00	25,000.00	29,000.00	(2)
Formative Assessment Grant	16,300.00	16,300.00	-	
State Teacher Bonus	16,000.00	16,000.00	-	
Child Care Receipts	71,000.00	71,000.00	-	
Event Receipts	3,000.00	3,000.00	-	
Hall Rental	1,200.00	1,200.00	-	
Charter School \$500/Student Support	637,500.00	612,500.00	25,000.00	(3)
SRO Grant	35,000.00	35,000.00	-	
School Improvement Grant	45,000.00	45,000.00	-	
Innovation Grant	30,000.00	30,000.00	-	
United Way Grant	7,000.00	7,000.00	-	
CO Subtotal	1,198,000.00	1,144,000.00	54,000.00	
Total Revenue	11,218,223.01	\$10,871,032.17	347,190.84	

Expenses

Employee Expenses	7,273,482.19	7,056,327.11	217,155.08	(4)
Projected New Hire Benefit Cost (10 @ 25%)	100,000.00	100,000.00	-	
Increase in Health Insurance (starting 2018)	35,000.00	35,000.00	-	
Capital Projects	504,240.00	484,740.00	19,500.00	(5)
PD	41,692.00	41,692.00	-	
Corporate Expenses	1,485,826.08	1,368,026.08	117,800.00	(6)
Department Expenses	1,737,922.90	1,720,632.90	17,290.00	(7)
Total Expenses	11,178,163.17	10,806,418.09	371,745.08	
Net	\$ 40,059.84	\$ 64,614.08	(24,554.24)	

Budget Revisions 9/5/2017

(1) Tuition and complexity revenue changes due to enrollment numbers changing

	Current		7/15 Budget	
	<u>Enrollment</u>		<u>Enrollment</u>	<u>Inc / (Decr)</u>
PS	648		650	-2
MS	334		350	-16
HS	<u>293</u>		<u>225</u>	<u>68</u>
	1275		1225	50

Tuition & Complexity Revenue Changes

	<u>Current Revenue</u>		<u>7/15 Budget Rev</u>	<u>Inc / (Decr)</u>
PS	3,416,904		3,427,450	(10,546)
PS	1,057,426		1,060,689	(3,263)
MS	1,761,182		1,845,550	(84,368)
MS	346,568		363,171	(16,602)
HS	1,544,989		1,186,425	358,564
HS	212,882		163,476	49,406
				<hr/> 293,191

(2) Title II revenue higher than originally budgeted by \$29,000

(3) Increase in the Charter School \$500/per student revenue by \$25,000 due to the additional enrollment of 50 students.

(4) Employee expense increased by \$217,155.08. This is due to adding two additional staff members; a special education teacher and supervision position for a total of \$92,878. The increase is also due to matching up current salaries with the original budget. This adjustment is \$124,277.

(5) Capital expenses increased by a purchase of a new bus for \$9,500 (bus & inspection costs), and an additional \$10,000 for the vacant land.

- (6) Traffic security increased by \$16,000, this is due to adding an additional release time for students at 4pm. An additional \$46,500 was added to the budget for actual severance costs. A bonus pool for management was added for \$55,300.

- (7) Fees increased by \$7,000 for a 401k audit that will need to be completed, and software maintenance costs of \$1,290 was added for the accounting software. \$9,000 of additional expense for the operation of the new bus.