

Career Academy of South Bend, Inc.  
Minutes of Meeting of Board of Directors  
January 20, 2015

Directors Present: Vivian Sallie, Larry Davis, Jinny Longbrake, Suzanne Wiwi  
By Phone: Larry Garatoni  
Absent: Tracy Graham, Thomas Coley  
Staff Attending: Paul Schlottman, Chad Addie, Kim Richardson, Charles Loeser, others

After a presentation by fifth grade students ("What it means to be a COBRA"), Vivian Sallie called the meeting to order at 5:45 pm.

A. Minutes of Prior Meeting. Larry Davis moved for approval of the minutes of the prior (December 16) meeting, Suzanne seconded, and the minutes were unanimously approved.

B. Amendment Of Bylaws. Vivian explained that the Corporation's bylaws are out of date in referring to former members and their terms, and that Charles Loeser had prepared a proposed resolution to amend the bylaws (attached as Exhibit A). Larry Davis moved that the proposed resolution be adopted, Jinny seconded, and the motion was unanimously approved.

C. Operations Report. Paul explained the rooftop heater replacement that was authorized at the last meeting has been completed. Teacher evaluations are in process for purposes of determining first semester bonuses. The process, using a modified Rise/Marzano evaluation system, is scheduled to be completed before the next board meeting. The school will begin in February a program ("SHINE") for special education students; notices will be sent to parents explaining details. Paul noted that there have been several snow days already, but with a school calendar providing for 190 days of instruction, there should be no difficulty meeting the state requirement of 180 days. CASB will always close if South Bend Community Schools or Penn Harris Madison schools are closed, and will usually close if either of those systems has a two hour delay. Since CASB students are responsible for their own transportation, CASB will close for some days that SBCSC and PHM schools do not. There is a remote access camera system at the school, allowing Paul to see weather conditions at the school from his home. Parents are notified of school closings via postings on WNDU, WSBT, FOX28, ABC57, the school website, Facebook and the school's Robo Call System "School Reach".

D. Ardmore Building. Vivian explained that the school has negotiated a proposed agreement with the City of South Bend to acquire the St. Vincent de Paul building at 3408 Ardmore Trail, together with a 2-acre vacant lot on its west side, for use as an elementary school and that Charles Loeser had prepared a proposed resolution (attached as Exhibit B) to authorize Larry Garatoni, the Corporation's president, to proceed with the acquisition. Larry Davis, after noting that the draft resolution refers to the Garatoni Family Foundation having offered to provide funding for the acquisition, expressed his appreciation for Larry Garatoni's

generosity, and move that the proposed resolution be adopted. Suzanne seconded, and the motion was unanimously approved.

E. Trine Application. Vivian explained that in order to have Trine University act as the school's authorizer, as has been discussed previously, both Trine and Ball State, the school's current authorizer, require board resolutions confirming the school's choice, and that Charles Loeser had prepared a number of proposed resolutions for that purpose.

1. Attached as Exhibit C and Exhibit D are proposed resolutions to authorize Larry Garatoni, the Corporation's president, to proceed with terminating the school's relationship with Ball State University and obtaining the agreement of Trine University to act as the school's authorizer as soon as possible. Jinny moved that the proposed resolutions be adopted. Larry Davis seconded, and the motions were unanimously approved.

2. Attached as Exhibit E, Exhibit F and Exhibit G are proposed resolutions to adopt financial policies and supplements to the school's student and staff handbooks. Larry Davis moved that the proposed resolutions be adopted. Jinny seconded, and the motions were unanimously approved.

F. National Guard Initiative. Paul introduced Bob Carnagey, who is the Employment Specialist for northern Indiana for the Indiana National Guard Employment Engagement Team, responsible for assisting National Guard veterans seeking civilian careers. Paul explained he met Bob as a result of CASB's participation in a "Fallen Heroes" march, and that Bob is interested in creating a program for veterans to receive vocational training using CASB's facility. This could be done in a way that would not conflict with the schedules of CASB students. There would be funding available through the GI Bill. Welding and IT training would probably be the initial offerings. Bob explained that there are 14,000 National Guardsmen in Indiana, which makes Indiana fifth among the states in the number of veterans, and that Indiana has the highest rate of unemployment among veterans among the fifty states. Bob said he and Paul will discuss possible arrangements but he looks forward to establishing a working relationship. Paul said he would come back to the board with a detailed proposal at a future meeting.

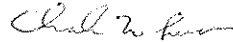
G. Financial Reports. Kim Richardson presented the claims paid/bank detail report for December 10-January 15 and the December financial statement. She explained the financial statement shows income far over budget because during December \$1,000,000 in debt owed to the Garatoni Family Foundation was converted to a donation. Larry Davis moved that the claims report and financial statement be approved, Suzanne seconded, and the motion was approved unanimously.

H. Five Year Financial Plan. Kim presented a five-year financial projection, explaining that the Trine application requires it. The projections are based on the forecasted enrollment utilized in the breakeven analysis previously presented to the board, and includes beginning in 2015-16 the \$1,500 per student annual capital expenditure payment proposed by Governor Pence, which is considered highly likely to be approved by the legislature. Jinny

moved that the plan be approved, Larry Davis seconded, and the motion was approved unanimously.

I. Article On Relevance In Education. Vivian distributed an article from the January 20 South Bend Tribune about black students speaking out at a Martin Luther King meeting on Monday (January 19) about the need for education, especially high school, to be relevant to students' lives.<sup>1</sup> The story, by Kim Kilbride, is excellent and confirms the principle on which CASB was founded: "education for life" is what students want and need.

The meeting was adjourned at 6:35 pm.



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Charles Loeser, Assistant Secretary

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<sup>1</sup> Link to article: [http://www.southbendtribune.com/news/education/black-students-want-more-relevant-coursework/article\\_018937d1-3c09-53db-9685-efc05ef6be30.html](http://www.southbendtribune.com/news/education/black-students-want-more-relevant-coursework/article_018937d1-3c09-53db-9685-efc05ef6be30.html).

EXHIBIT A TO MINUTES OF JANUARY 20, 2015 BOARD MEETING  
RESOLUTION OF THE BOARD OF DIRECTORS  
CAREER ACADEMY OF SOUTH BEND, INC.  
AMENDMENT OF BYLAWS

Whereas, the Corporation's bylaws (at Article II, Section 1, second paragraph) specify the duration of the term for each of the directors of the Corporation, with three year terms expiring in successive months (by alphabetical order of the original directors); and

Whereas, due to the replacement of several directors, such provision of the bylaws is now out of date;

NOW, THEREFORE, it is RESOLVED that Article II, Section 1, second paragraph, of the Bylaws is modified to provide (new text in italics):

Members of the Board of Directors will serve a term of roughly three years, with the term of each director *as re-elected at the end of the original term, or a new director who is elected to replace a retiring director* to end as of a different month so that during the month of the expiration of the term of a director, the other members of the board, as active directors, may re-elect such person to an additional term as a member of the Board, or elect a new member. *The terms of each member shall expire at the end of the month of the third anniversary of the date of such re-election or appointment. The current board as of December, 2014 consists of:*

- *Lawrence Garatoni (term extends to January 31, 2017);*
- *Tracy Graham (term extended to February 28, 2017);*
- *Jinny Longbrake (replacing Bruce Greenberg, who resigned)(term extends to March 31, 2017);*
- *Vivian Sallie (term extends to April 30, 2017);*
- *Thomas Coley (replacing Rob Staley, who resigned)(term extends to May 31, 2017);*
- *Larry Davis (replacing James Summers, who resigned)(term extends to June 30, 2017);*
- *Suzanne Wiwi (term extends to July 31, 2017).*

EXHIBIT B TO MINUTES OF JANUARY 20, 2015 BOARD MEETING  
CERTIFICATION OF RESOLUTION OF THE BOARD OF DIRECTORS  
CAREER ACADEMY OF SOUTH BEND, INC.  
ACQUISITION OF NEW BUILDING

Whereas, the Corporation wishes to expand its operations to include kindergarten through Grade 4 and to increase its enrollment in Grades 5-12, for which purpose it is necessary to obtain additional space beyond the limits of the Corporation's current building;

Whereas, the Corporation has reached a tentative agreement with the City of South Bend Department of Redevelopment (the "City") concerning the building and associated land located at 3408 Ardmore Trail, South Bend, commonly known as the St. Vincent DePaul Building as set forth in the draft purchase agreement attached hereto ("the Proposed Agreement");

Whereas, the Garatoni Family Foundation ("Foundation"), through its trustee, Lawrence Garatoni (CASB President/Treasurer and Director), has agreed to provide the necessary funds to the Corporation for the acquisition and remodeling of the St. Vincent DePaul Building for use as a school;

NOW, THEREFORE, it is RESOLVED that the Corporation is authorized to enter into the Proposed Agreement (subject to any modifications required by the City and deemed acceptable by the Corporation's President) and proceed with the acquisition and remodeling of the building.

EXHIBIT C TO MINUTES OF JANUARY 20, 2015 BOARD MEETING  
RESOLUTION OF THE BOARD OF DIRECTORS  
CAREER ACADEMY OF SOUTH BEND, INC.  
TERMINATION OF BSU AGREEMENT

Whereas, the Corporation's agreement with Ball State University ("BSU") as "authorizer" as defined by Indiana law (Indiana Code § 20-24-1-2.5)("Charter Agreement") extends until June 30, 2016, subject to the right of the Corporation to terminate as of the end of any school year;

Whereas, for the Corporation to pursue its plan to divide its current 5-12 operations into a separate high school and middle school, as well as its plan to expand to operation of grades 1-4 and kindergarten, would require an amendment of the Charter Agreement, which BSU has advised it is reluctant to amend;

Whereas, Trine University (through Education One, LLC) has advised it would be willing to act as the Corporation's authorizer, and approves of the Corporation's expansion plans;

Whereas, pursuant to instructions from Trine, the School has submitted a request for change of authorizer, and supporting documents, but for Trine to become the Corporation's authorizer requires termination of the BSU Charter Agreement;

Whereas, in order for the Corporation to terminate the BSU Charter Agreement, BSU has advised that a board resolution for such purpose should be submitted:

NOW, THEREFORE, it is RESOLVED that the President of the Corporation is authorized to submit the attached letter to BSU and to take all action necessary to terminate the Corporation's Charter Agreement with BSU as of the end of the current school year (June 30, 2015)(or earlier, if acceptable to BSU), provided that prior to the date of such termination, Trine shall have agreed to act as the Corporation's authorizer.

EXHIBIT D TO MINUTES OF JANUARY 20, 2015 BOARD MEETING  
RESOLUTION OF THE BOARD OF DIRECTORS  
CAREER ACADEMY OF SOUTH BEND, INC.  
REQUEST FOR CHANGE OF AUTHORIZER

This document evidences action at a meeting of the Board of Directors ("Board") of Career Academy of South Bend, Inc. (the "Corporation") on January 20, 2015.

Whereas, the Corporation's agreement with Ball State University ("BSU") as "authorizer" as defined by Indiana law (Indiana Code § 20-24-1-2.5)("Charter Agreement") extends until June 30, 2016, subject to the right of the Corporation to terminate as of the end of any school year;

Whereas, for the Corporation to pursue its plan to divide its current 5-12 operations into a separate high school and middle school, as well as its plan to expand to operation of grades 1-4 and kindergarten, would require an amendment of the Charter Agreement, which BSU has advised it is reluctant to amend;

Whereas, Trine University (through Education One, LLC) has advised it would be willing to act as the Corporation's authorizer, and approves of the Corporation's expansion plans, subject to receipt of certain documents as to the Corporation's current and future operations;

NOW, THEREFORE, it is RESOLVED that the President of the Corporation is authorized to take all action necessary to obtain the agreement of Trine University to become the Corporation's authorizer at the earliest feasible date.

EXHIBIT E TO MINUTES OF JANUARY 20, 2015 BOARD MEETING  
RESOLUTION OF THE BOARD OF DIRECTORS  
CAREER ACADEMY OF SOUTH BEND, INC.  
FINANCIAL POLICIES

This document evidences action at a meeting of the Board of Directors (“Board”) of Career Academy of South Bend, Inc. (the “Corporation”) on January 20, 2015.

Whereas, the Corporation is requesting Trine University (through Education One, LLC) to agree to become the Corporation’s authorizer” as defined by Indiana law (Indiana Code § 20-24-1-2.5);

Whereas, Trine has requested, for purposes of considering such request, that the Corporation commit to certain policies in writing as adopted by board resolution and/or incorporated into Corporation staff or family/student handbooks;

NOW, THEREFORE, it is RESOLVED that the Corporation adopts financial policies as attached hereto.



EXHIBIT F TO MINUTES OF JANUARY 20, 2015 BOARD MEETING  
RESOLUTION OF THE BOARD OF DIRECTORS  
CAREER ACADEMY OF SOUTH BEND, INC.  
STUDENT POLICIES

This document evidences action at a meeting of the Board of Directors (“Board”) of Career Academy of South Bend, Inc. (the “Corporation”) on January 20, 2015.

Whereas, the Corporation is requesting Trine University (through Education One, LLC) to agree to become the Corporation’s “authorizer” as defined by Indiana law (Indiana Code § 20-24-1-2.5);

Whereas, Trine has requested, for purposes of considering such request, that the Corporation commit to certain policies in writing to be incorporated in the Corporation’s family/student handbook;

NOW, THEREFORE, it is RESOLVED that the Corporation adopts a supplement to its student handbook as attached hereto.

EXHIBIT G TO MINUTES OF JANUARY 20, 2015 BOARD MEETING  
RESOLUTION OF THE BOARD OF DIRECTORS  
CAREER ACADEMY OF SOUTH BEND, INC.  
STAFF POLICIES

This document evidences action at a meeting of the Board of Directors (“Board”) of Career Academy of South Bend, Inc. (the “Corporation”) on January 20, 2015.

Whereas, the Corporation is requesting Trine University (through Education One, LLC) to agree to become the Corporation’s “authorizer” as defined by Indiana law (Indiana Code § 20-24-1-2.5);

Whereas, Trine has requested, for purposes of considering such request, that the Corporation commit to certain policies in writing to be incorporated in the Corporation’s family/student handbook;

NOW, THEREFORE, it is RESOLVED that the Corporation adopts a supplement to its staff handbook as attached hereto.