

Career Academy of South Bend, Inc.
Minutes of Meeting of Board of Directors
March 13, 2014

Directors Present: Larry Garatoni, Vivian Sallie, James Summers
By Phone: Bruce Greenberg (& Steve Hartz, Director Emeritus)
Absent: Rob Staley, Tracy Graham, Suzanne Wiwi
Staff Attending: Paul Schlottman, Ken Horvath, Charles Loeser, Chad Addie, Sarah Fine, others

A meeting of the SBCA Board was held at the school at 5:45 pm on March 13, 2014. Prior to opening the board meeting, the attending members heard a presentation from one of Mr. Gibbens' students (studying logistics) on bus transportation: with four buses, all current SBCA students could be picked up at or near their homes, with no bus rides over an hour. This information will be used in seeking a Title I grant for transportation funding. Changes in enrollment as of Fall 2014 would require modification of routes but the analysis indicates the baseline for planning for possible use of buses.

A. Call To Order And Scheduling. Larry Garatoni called the meeting to order and raised the question of scheduling future meetings. Bruce Greenberg noted he will return from Florida on April 22. Vivian moved that the next meeting be held April 29, and that starting in May, meetings should be on the third Tuesday of each month (in each case at 5:30 pm). James seconded and the motion was approved 4-0.

B. Board Member Actions. Larry explained that Rob Staley has submitted his resignation from the SBCA board. Bruce moved that the board accept Rob's resignation, James seconded, and the motion was approved 4-0. Larry nominated Dr. Thomas G. Coley, Chancellor of IVY Tech Community College for North Central and Northwest Indiana¹, to replace Rob on the board with a term extending to May 31, 2017. Bruce moved that Dr. Coley be elected to the board effective immediately for a term through 5/31/17. James seconded and the motion was approved 4-0.

Larry proposed that Bruce be elected to an additional term for three years past his current term (i.e., to March 31, 2017) and that Vivian be elected to an additional term for three years past her current term (i.e., to April 30, 2017). Charles noted that with three members absent, the elections could not be completed since each election requires a majority of the board members other than the nominee. A vote was taken of those present, and each proposed re-election was tentatively approved 3-0, to be confirmed by follow-up votes (possibly electronic ballots) of other board members.

C. Approval Of Non-budgeted Costs.

1. Subscription To Forms/Policies Service. Paul asked for approval for up to \$10,000 for a subscription to the school forms and policies library provided by NEOLA, Inc. This is a service used by many schools. It's recently been recognized that the school needs written policies on multiple topics (such as those to be discussed later in this meeting), which highlights the need for such a service. Bruce moved for approval, Vivian seconded, and the motion was approved 4-0.

2. Purchase of new Student Information System software. Paul asked for approval of up to \$12,000 to purchase a new SIS software system from Logic Key, Inc., d/b/a Harmony Software (a Pearson

¹ As to Dr. Coley's qualifications see <http://www.zoominfo.com/p/Thomas-Coley/100328655>.

company). This is necessary to replace the ARK system, which will no longer be supported as of this June. Paul explained the School reviewed many SIS systems approved by the Indiana DOE and Harmony stood out, especially in facilitating parent communications. Bruce moved for approval but raised a preliminary question as to the conversion procedure, i.e., what's the process for data transfer. Paul said that's included in the price. Bruce asked how the switchover would be handled. Paul said that after data is entered to the new system, both systems will operate in parallel until the end of the school year. Bruce asked if the vendor will provide training service. Paul said yes, but since he and Chad have worked with the Harmony system before, they already understand it pretty well. Vivian seconded the motion, which was approved 4-0.

3. Purchase of large group instruction room furnishings. Paul asked for approval for purchase of up to 70 chairs, 15 work tables and a conference table for the proposed professional development/large group instruction room, as per the proposal distributed to the board (total \$18,306). James moved for approval, Vivian seconded, and the motion was approved 4-0.

4. Technology audit. Paul removed this item from the agenda, explaining that a recent development (potential hire) is likely to eliminate the need

D. Regulatory Requirements.

1. Status Of Charter Amendment. Paul reported BSU has not made a decision on the school's application to amend the charter to authorize offering fifth and sixth grades.

2. Amendment Of School Calendar. Tami Collins explained that in order to meet the requirement of 180 instructional days despite ten snow days, it is necessary, as she's confirmed with the IDOE, that 12 extra instructional hours (for state purposes, two instructional days) be added. The IDOE issued a waiver for two days to all schools, and SBCA was starting with 186 calendared instructional days. Extra hours are to be added by extending school to the normal (5pm) closing for four days (March 14, March 28, May 9 and May 23) which were originally calendared for early (2pm) release. The professional development which was to be done those afternoons will need to be rescheduled. Tami noted the IDOE's requirements are not reduced by the normal longer length of SBCA's school days. Tami explained the IDOE requires that the school's board be notified, but board approval isn't required (this conclusion was later corrected, see E(2) below).

3. Approval Of Test Procedure Policy. Paul explained that the IDOE requires school boards to adopt and enforce the IDOE Code of Ethical Procedures for state testing, as distributed. Vivian moved for approval of the policy, James seconded, and the motion was approved 4-0.

4. Approval Of Seclusion and Restraint Policy. Paul explained that the IDOE requires schools to have a formal policy on use of seclusion and restraint with students, for which Paul recommends the policy published by NEOLA, as distributed to the board. Bruce asked if staff training is required to implement this. Paul said the school has multiple staff members already qualified in this policy. James moved for approval of the policy, Vivian seconded, and the motion was approved 4-0.

E. School Operations. Prior to Paul's report, Bruce left the meeting.

1. Marketing Agreement. Paul presented the Marketing Services Proposal from Great River Creative, which Paul's team identified as the best of the responses to the school's RFP. Paul explained that

GRC, a Chicago-based firm (www.greatrivercreative.com), is a nationally known, award-winning firm which after many commercial successes (such as Super Bowl ads) has focused on “cause” marketing. Paul requested authorization to incur charges up to \$30,000, slightly more than the proposal, which provides for fees of \$4,250/month for an initial six months, inclusive of all services other than purchased media (as approved by SBCA). Paul explained this is less than SBCA has been spending for marketing, but is expected to provide an integrated and more effective approach. Vivian asked if this includes improving the school’s website. Paul said yes, GRC will provide a broad range of services including an interactive website and online videos.² James asked if GRC has experience marketing schools, Paul said yes, including charters. James asked about success metrics. Chad said online research revealed many (over 1,000) stories about GRC’s successes. Paul said GRC is aware of SBCA’s planned use of “big data” in marketing (using Tracy Graham’s assistance) and will be able to partner in that project. Vivian moved that Paul be authorized to accept the proposal. James seconded; the vote was 3-0, so without a quorum, the vote is to be followed up by electronic ballot.

2. Calendar Change Approval. Larry asked if there should be an electronic ballot for the calendar change. Tami stated that on further review, contrary to what she previously thought, board approval is necessary. Upon Larry’s motion, the three members present voted to approve the calendar change and include the issue on a ballot to be circulated by email to all board members.

3. Gym additions. Paul reported the school will spend roughly \$29,000 for additional basketball hoops, but as the cost was included in the approved budget, no additional authorization is required.

4. Projected Enrollment. Paul asked Chad to present his estimate of likely enrollment for Fall 2014. Chad presented grade by grade projections totaling roughly 400 students, including 45 in Grade 5 and 25 in Grade 6, plus 50 in Grade 7. Above seventh, the estimate for each grade is roughly the same as the current enrollment in the preceding grade. One factor in the estimate is that the student count remained fairly stable between the first and second semesters this year, whereas in prior years there was a significant drop. Chad recommended these estimates as the basis for the 2014-2015 budget.

F. Financial Review. Ken presented the Claims/Bank Detail for the period beginning 2/11/14 and ending 3/7/14, as well as the February financial statement. Receipts were roughly \$42,000 over budget, expenses roughly \$53,000 over budget. There was a net decrease in staffing, reflecting Paul’s conclusion that some classes were too small for optimum learning. Interest expense was reduced by the \$4M Qualified Zone Academy Bond transaction, by which a portion of the school’s debt to Larry Garatoni became interest-free (interest will be paid by the federal treasury under the QZAB program). Net year to date is roughly 200K better than budget (which was loss of roughly 1.7M). Ken said adding grades 5-6 should be a benefit. At the next meeting there will be a projection for 2014-15. Improving the student-teacher ratio (now 11:1) is crucial. James moved for approval of the financial statement and the claims paid/bank detail, subject to electronic ballot. Vivian seconded, the vote was 3-0.

The meeting was adjourned at 6:45 pm.



Vivian Sallie, Secretary

² The scope of proposed services is described in GRC’s 3/14 announcement on its website of its relationship with SBCA, <http://www.greatrivercreative.com/announces-new-business/>.