

Damar Charter Academy
Board of Directors Meeting
Wednesday, June 25, 2014
11:30a.m.
Damar Charter Academy
5125 Decatur Blvd., Suite D
Indianapolis, IN 46241

Attendance: Dr. Jim Dalton, Rich Harcourt, Elaine Showalter, Dr. Van Tassel, Paul Dennison, Lyle Coleman, Karen Snyder, Dr. Jim Van Tassel, Jackie Gantzer, Doug Stewart and Chris Wilkes

The meeting was called to order by Rich Harcourt at 11:35 am

Packets with the following information were mailed to all attendees:

1. Board Agenda
2. April 23, 2014 Board Minutes
3. DCA Report

Specific Board Information

Dr. Jim Dalton and Mr. Rich Harcourt lead a discussion around the end of the employment of DCA Principal, Leta Echelbarger. While the board acknowledged the validity of the reasons for discontinuation of employment, members expressed some concern that DCA is now looking for a Principal position. The Board was reminded that DCA has had 2 Principals after the completion of its 3rd year of operation. The first Principal resigned due to taking a Principal position in a school system closer to his home. The 2nd Principal's employment ended more suddenly, was not planned, and was initiated by Damar. Nevertheless, the Board requested better communication around these types of events before they happen.

Current Environment

Ms. Jacquelyn Gantzer from the Mayor's office updated the board on the status with the State Board, Governor's office, and Superintendent Ritz on the A-F Accountability issues. Work on A-F issues remains slow and behind schedule.

DCA does have a separate accountability standard with its authorizer the Indianapolis Mayor's Office.

Below are excerpts from the board report that was discussed at the meeting.

"The State adopted a "Common Core Plus" standard for student assessment. Like seemingly everything education related, that adoption (as opposed to staying with the Federal Common Core standards) has created some controversy and perhaps some consequences. The US Department of Education (USDOE) has mandated that Indiana be prepared to test to the new

standard in the spring of 2015, leaving less than a full academic/instructional year before the testing is administered. Noncompliance with the new testing standard might have significant financial impacts (federal funds withheld?) to the State.

How does that impact the Damar Charter Academy (DCA)?

As we all know, under the current standards, the DCA remains a failing school as it enters its fourth year. And problematically, before the A-F standards get addressed, the testing or assessment standards need to be dealt with first. Of course change brings uncertainty that soaks up time (and money) which pushes an A-F resolution further down the road.

Outlier schools like the DCA will mostly be dealt with towards the final resolution of the A-F Accountability issues. Here, time is not our friend as the DCA's fourth year is a high stakes year in terms of *special education* measurement. Further, five years of consecutive *academic* failure implies a potential turnaround school scenario. The DCA remains confident regarding special education measures but academic success under the current accountability system is a guaranteed fail.

As a pleasant reminder, the DCA does have separate accountability standards with its authorizer, the Indianapolis Mayor's Office.

The Mayor's Office had their annual workshop for charter schools earlier in the month. While there are some changes in schedules and reporting requirements, it is refreshing to note that several changes were aimed at lessening the workload on charter schools and administrative reporting. Clearly, the Mayor's Office is focused on helping charter school operators remain focused on classroom activities by reducing administrative burdens.

Damar Services continues to work with Department of Child Services (DCS) to resolve some outstanding issues between the 2 organizations. As the DCA is acutely aware, some of those issues resulted in a census decline at Services which has negatively impacted DCA enrollment.

Progress in finding a resolution had stalemated but negotiations have again resumed and Damar is still hopeful that a resolution may soon be reached. There have, however, been some unintended consequences as a result of the DCS actions.

As Services census shrank, the DCA backfilled those openings with community based students. While those students need and deserve the instructional services of the DCA, unlike a Services student, they don't come with additional staff support. Remember that the DCA staffing model is best optimized when about 2/3 of the DCA students are Services clients and 1/3 of the students are from the community. The Services students bring 20 plus additional staff to the school on a daily basis. The challenge occurs when the population of community based

students exceeds 1/3 of the school's enrollment and then classroom staffing becomes diminished.

Fortunately, although Services and DCS still struggle with some historical audit issues, DCS has begun actively referring clients to Damar again. In a perfect world, those students come with a court order which propels them to the top of the enrollment list at the DCA. That court ordered process, when appropriately adhered to, should allow the DCA to rebalance the enrollment levels at the DCA such that the approximate 2/3 Services 1/3 community enrollment levels can be regained. Of course, the world is not perfect and therefore much work needs to be done to make sure proper enrollment balance is achieved to insure classroom staffing needs are met.

Finance Report

The May revenue and margin numbers continue to trail the budget. Controllable expense management (salary and wages) remained strong with the continuing and significant overages in health care expense, building maintenance, and professional fees.

May's operating margin was a negative (\$13,362) while the 10 month year to date margin barely remained positive at \$1,886. One of the Mayor's Office measurements is that the DCA operate at a positive margin at fiscal yearend (June 30).

Enrollment numbers for the next school year appear to be adequate and if that occurs, tuition reimbursement will return to the budgeted numbers beginning in July. At this point in time, DCA staff continues to feel good about next year's budget and the school's ability to operate at an acceptable financial level.

Liquidity remains tight and DCA has a \$25,000 payment due to Damar Services at June 30. Depending on how liquidity looks at June 30, Damar Services may need to defer that payment. It appears that the hoped for repayment of the special education receivable (\$494,865) at June 30 probably will not occur now. Service's executive lobbyists continue to seek an administrative repayment with a possible outcome from a line item payout in the State's next year budget.

Despite an increasing number of various State officials acknowledging the debt, Service's lobbyists are becoming less hopeful of payment through a budget resolution next year. While State officials appear to understand and recognize the obligation, the political will to take the heat from those opposed to additional funds to charter schools may be lacking. A strategy to ratchet up the argument for payment will be developed, but the DCA board needs to begin recognizing that ultimately a courtroom may be needed to resolve the payment question.

Board Recruitment

Dr Dalton and Rich Harcourt have identified a possible new board member. The individual has charter school expertise in her background. Further due diligence needs to be done to determine if her qualifications are appropriate for board membership.

Programs

Principal Leta Echelbarger has resigned. The position will be posted with candidates being introduced to the board before a decision is made.

Teacher Amanda Criss was recognized by Teachers Treasures for her work at DCA.

Teacher Cora Collier has been selected for Teacher Exchange in India.

The fourth year review is scheduled for November of this year. Dr. Mary Jo Ratterman and her team will conduct this review – as they have conducted all DCA reviews to date and know the school well.

Classrooms have been adjusted to include additional elementary age children. Younger children have dominated DCA's waiting list for the last year.

Dr. Dalton presented an amendment for non-academic goals-recommending Amendment #5 to retain 70% of qualified Special Ed. Teachers.

There will be a change in attendance from the Mayor's office. Kristin Hines will be working with DCA on academics and governance.

There being no further business, the meeting was adjourned.