

Damar Charter Academy  
Board of Directors Meeting  
Wednesday August 27, 2014  
11:30a.m.  
Damar Charter Academy  
5125 Decatur Blvd., Suite D  
Indianapolis, IN 46241

Attendance: Dr. Jim Dalton - Superintendent, Rich Harcourt – Board Chair, Elaine Showalter – DCA Controller, Dr. Jim Van Tassel – Board Member, Paul Dennison – DCA Staff Accountant, Lyle Coleman – Board Member, Karen Snyder – Board Member, Doug Stewart – Board Treasurer, Chris Wilkes – Board Member, Chuck Ellis-Board Member and Katie McCoy – Executive Assistant.

Packets with the following information were mailed to all attendees:

1. Board Agenda
2. June 2014 Board Minutes
3. DCA Report
4. Parent letter

The meeting was called to order by Rich Harcourt at 11:37 am.

### **Current Environment**

Damar Services has experienced increases in occupancy on the main campus over the last several months. However, this has not equated to significant residential student increases in DCA enrollment. Rather, non-residential students from the community are filling the openings. Note that these students do not come with additional staffing supports. The DCA staffing support model is best optimized when about 2/3 of the DCA students are also residential clients at Damar Services. The Damar Services students bring 20 plus additional staff to the school on a daily basis.

Paul Dennison and Rich Harcourt attended a charter school conference on July 16, 2014 sponsored by The Friedman Foundation and Barnes and Thornburgh. The first speakers included State Representative Bob Behning, who is Chair of the Indiana House Education Committee (and Damar's State Representative), and Claire Fiddian-Green, who is the Co-Director for the Center for Education and Career Innovation (CECI). As you may recall, the CECI is an umbrella organization appointed by Governor Pence to bring the efforts of several State entities together to focus on education and career readiness.

The A-F Accountability modeling was behind pace and further indicated that Indiana's request for waiver under No Child Left Behind (NCLB) was also in jeopardy (the waiver has sense been granted). The granting of the NCLB waiver allows flexibility in how some \$200 million federal Title I dollars are spent in Indiana. (Title I dollars are steered towards schools with high

percentages of children from low income families and the funding is designed to help those students achieve the accountability measures that the school or state sets forth. The DCA's Title I dollars last year equaled \$54,521.) The delays in A-F Accountability can also effect federal funding to the State, and as previously discussed, delays in A-F on a state wide basis will negatively impact the DCA's ability to have a meaningful accountability test which averts the failing status now assigned to the school.

Representative Behning indicated that legislative efforts around charter schools in this year's long session will focus on funding parity specifically around buildings. Recall again that in rough numbers, charter schools receive about 70% of funding that traditional public schools now achieve. Traditional schools are eligible for transportation, debt service, and capital expenditure dollars (the remaining 30%) which are denied charter schools. Further, Representative Behning is also focused on reducing the regulatory burden on charter schools. (Also a clear focus of the Mayor's Office as the DCA's authorizer.) The authorizing legislation for charter schools contemplated the 30% funding disparity but with less regulation burden as part of the offset. However, to nobody's surprise, as time has marched on, the INDOE has required charter school reporting which has begun to look and feel more and more like traditional school reporting.

From a general school perspective, Representative Behning indicated that there were meaningful efforts around correcting funding formula disparities. Although the average school receives \$6,000 plus/minus per student, reimbursement rates range from \$4,500 per student to \$14,000 per student throughout the State. Consequently, an effort around truing up those disparities will be made. If poverty levels become part of the equation, there is a chance that this type of reform could have a positive funding impact on the DCA.

Representative Behning also touched on the tuition receivable issue and acknowledged that dollars are still owed. While he didn't promise a solution in this legislative long session, reading between the lines lead us to believe that there might be dollars available to settle the obligation if charter schools were willing to take a discount. A discount is one way to appease the traditional schools which will argue that giving money to any charter school is taking money away from students. However, there are many stakeholders in this type of reform legislation and it is impossible to predict any kind of outcome.

Later in the afternoon, Robert Enlow, President and CEO of the Friedman Foundation and Betsy Wiley (formerly Burdick), President and CEO, Hoosiers for Economic Growth and Institute of Quality Education (IQE), provided their thoughts around the charter school movement in Indiana. The Friedman Foundation is a strong believer in school choice which also includes charter schools. However, Mr. Enlow suggested that Indiana charter schools needed improvement in several areas to include academic results. In the list of states with charter schools, Indiana's overall charter school performance is towards the bottom of the list. Improved academics and improved measurement tools coupled with better funding were a few of his suggestions towards achieving better charter school results. Funding and measurement are, of course, areas where Indiana's General Assembly exerts strong influence and control.

Without a formal charter school association which presents a clear and defined platform, Mr. Enlow believes that attracting supporters and advocates to the Indiana charter school movement will be difficult. He indicated that the Friedman Foundation, the Walton Foundation, and the above mentioned IQE all have sizeable dollars which could be used to support a charter school association in Indiana if one existed. Further, Mr. Enlow counselled that there were many constituencies in the legislative aisles of the General Assembly speaking on behalf of and against charter schools and he warned that not being in the conversation as a charter school association was a dangerous place to play.

What appears to be obvious is that there is an immediate and intense need for the charter school operators to find a common voice and be well represented in this year's legislative session. To date, there is an informal, but small, group of charter school leaders which are working towards building a state wide charter school association. During the most recent meeting of this group, discussions hovered around involvement with select legislative committees focused on two key areas: funding, and deregulation and then a third group working on charter school association strategies. Carey Dahncke, Scott Bess and Emily Pelino – all members of the charter school leaders group – are participating in these committees, and have solicited input from other members including the DCA. Additionally, it is planned that Ms. Wiley will attend the next charter school leaders meeting to discuss the role that IQE and other support organizations can play in furthering the needs of Indiana charter schools. The DCA will try to help drive that process.

### **Finance Report**

The attached numbers are for the 12 month period ended June 30, 2014. These are draft numbers and may change as the audit process proceeds. Year to date, the charter school missed on both revenue and margin. The revenue challenge has already been well documented tied to the census issues that Damar Services experienced during the fiscal year and as previously related, census at Services is again growing.

Enrollment for the DCA at August 21, 2014 equaled 162 (165 is max) and the mix was 77 Services and 85 day students. The enrollment mix is a little skewed outside of the ideal 2/3rds Damar and 1/3<sup>rd</sup> day students and subsequently, monitoring appropriate staffing support will be important over the school year.

Health care expenses almost single handedly drove the negative expense variation and the softer revenue coupled with high health care expense pushed the school to a breakeven margin position. Before audit results, the DCA is showing a net margin of \$383.00.

DCA should be able to the budget without having Damar Services funds.

Paul Dennison has started billing Medicaid for approved services, this will add to the budget. Paul is also billing Medicaid for Administrative duties that are approved for reimbursement.

### **Board Recruitment**

Dr. Dalton and Rich Harcourt have identified two possible new board members for the one open spot. The individuals have charter school expertise in their respective backgrounds. Further due diligence needs to be done to determine if their qualifications are appropriate for board membership.

### **Programs**

A DCA school parent is asking for board meeting times to work for parents that cannot attend mid-day meetings. The board is in agreement to have two of the six meetings in the evening. Katie McCoy will work with school administration on dates that may include student activities that will allow parents to attend. The parent would also like to see the board minutes added to the web site in a timelier manner (the minutes now are posted after approval at the following board meeting). The board is in agreement to have notes shared with board members in a two week time span from the meeting date and share the notes on the web site as a draft.

The Principal position has been posted and interviews will begin this week. The board agrees that when Dr. Dalton narrows the applicants to two that members will interview the top candidates before a decision is made. Dr. Dalton informed the board that the school is running great under the direction of Aimee Brown, Director of Special Education and Julie Gurule, Registrar/Counselor.

Safety modifications have been made to the front area of the school allowing the receptionist to activate the door for in and out visitors. Two way radios have been added to classrooms to allow the teachers a quick response in time of need. A Safety and Security training is scheduled for the fall for teachers and staff.

The board agrees that policies be added to the web site for informational purposes to the public.

The DCA now has a Girl Scout troop and has twenty girls signed up and participating. The volunteer leader is the parent of Nicole Woods (Communication Director of Damar Services).

There being no further business the meeting was adjourned at 12:30 pm.