
STATE OF INDIANA

DISTRESSED UNIT APPEAL BOARD



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Distressed Unit Appeal Board Meeting Memorandum

May 9, 2019

Call to Order: A meeting of the Distressed Unit Appeals Board (“DUAB” or “Board”) was held on April 11, 2019, at 10:00 a.m. EDT at the Indiana Government Center South Building, Conference Room D, Indianapolis, Indiana. Members of the Board attending the meeting in-person include Micah Vincent, Chairman, Paul Joyce, and Wes Bennett. Senator Eric Bassler attended by phone. Courtney Schaafsma, Executive Director, was also in attendance.

Chairman Vincent called the meeting to order and recognized compliance with the Open Door Law.

Ms. Schaafsma discussed the Executive Director’s Report and provided a recap of various activities at Gary Community School Corporation (“GCSC”), including a public hearing held on April 29 in regard to the middle school reorganization recommendation from the emergency management team. Mr. Joyce asked about the contract approval for the financial advisory firm assisting with the bond refunding for GCSC. Ms. Schaafsma explained that the fee would only be paid if the bond refunding occurs and the fee would be paid through bond proceeds. Senator Bassler asked the payment of fees through the bond proceeds, and Ms. Schaafsma confirmed that this arrangement was typical. Mr. Joyce requested that GCSC receive a detailed list of out-of-pocket expenses for the financial advisory firm prior to payment. Mr. Bennett asked about the meetings Ms. Schaafsma held with parents and the advisory board on April 30, as noted in the Executive Director’s Report. Ms. Schaafsma explained more about these meetings and concerns expressed during these meetings. Senator Bassler asked about the continuing disclosure requirements for GCSC, and Ms. Schaafsma explained that financial advisory firms will typically confirm that a bond issuer is up to date on its continuing disclosure requirements prior to bond issuance.

Dr. Pete Morikis, emergency management lead for the GCSC emergency management team, then provided an update on activities at GCSC, including preparation for summer school and expansion of course offerings at the Gary Area Career Center. Ms. Nakia Douglas with the GCSC emergency management team provided updates on academic initiatives such as professional development for principals and teachers and school-based comprehensive needs assessments. She also discussed various activities and opportunities available to GCSC students. Ms. Chelsea Whittington, also with the GCSC emergency management team, presented details on the summer enrollment campaign. Chairman Vincent asked how enrollment progress would be monitored. Ms. Douglas indicated that enrollment would be tracked throughout the summer using available data in the student information systems.

Mr. Eric Parish with the GCSC emergency management team presented an engagement letter for Tolbert & Tolbert for legal services. Mr. Joyce asked what the estimated annual contract amount would be for this engagement letter. Mr. Parish explained that the estimated fee for all legal services was expected to be below the prior legal expenses for GCSC. Mr. Bennett made a motion that the Board approve the

engagement letter between GCSC and Tolbert & Tolbert, and Mr. Joyce seconded. The Board approved the motion 3-0.

Ms. Schaafsma then presented the next agenda item – consideration of changes to the GCSC middle schools and associated changes to two elementary schools – and discussed feedback received during the April 29 public hearing. Dr. Morikis provided additional comments on feedback received since the public hearing. Mr. Bennett asked about the aggressive enrollment goal, and Mr. Joyce asked what set GCSC apart from other schools in the Gary area. Dr. Morikis discussed various offerings of GCSC that make GCSC unique. Mr. Bennett asked how the students would be distributed across the two middle schools, and Dr. Morikis explained that those decisions were in process but that both school buildings would be available space for students. Mr. Joyce made a motion that the Board approve the creation of an additional middle school for GCSC starting with the 2019-2020 school year, and Mr. Bennett seconded. The Board approved the motion 3-0.

New business: None.

Adjournment: Chairman Vincent adjourned the meeting at 11:16 a.m.