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# STATE OF INDIANA

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DISTRESSED UNIT APPEAL BOARD



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## Distressed Unit Appeal Board Meeting Memorandum

October 10, 2019

**Call to Order:** A meeting of the Distressed Unit Appeal Board (“DUAB” or “Board”) was held on October 10, 2019, at 10:00 a.m. Eastern at the Indiana Government Center South Building, Conference Room D, Indianapolis, Indiana. Members of the Board attending the meeting in-person include Justin McAdam, Chairman, Wes Bennett, Tracy Brown, Paul Joyce, Senator J.D. Ford and Representative Jeff Thompson. Rebecca Kubacki attended by phone. Courtney Schaafsma, Executive Director, was also in attendance.

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

Ms. Schaafsma acknowledged Justin McAdam as the new chairman.

Ms. Schaafsma discussed the Executive Director’s Report and provided a recap of various activities at Gary Community School Corporation (“GCSC”), including a number of executive director approvals that had occurred since the last meeting.

Chairman McAdam introduced the next agenda item – consideration of the GCSC’s 2020 Budget. Lisa Rosinko, Chief Financial Officer of GCSC, presented the budget proposal. Mr. Paul Joyce asked some clarifying questions on funding percentages. Ms. Rosinko provided explanations. Ms. Schaafsma asked for clarification on what the operations fund supports. Ms. Rosinko provided an explanation of the three main funds that constitute GCSC’s budget. Representative Jeff Thompson asked about spreading GCSC’s losses across the debt service and the operations levy and Ms. Rosinko explained that GCSC is required to provide funding for their debt first and then direct whatever remains to the operations fund. Ms. Schaafsma added clarification. Chairman McAdam asked what the actual expected collection will be and Ms. Rosinko answered. Chairman McAdam clarified that her answer is based on the given estimate. Ms. Schaafsma noted that the increase in the circuit breaker is due to the change in the exempt debt in Lake County. Chairman McAdam clarified that their operations need is higher than their fund and Ms. Rosinko agreed. Mr. Joyce asked clarifying questions on who determines what falls under each fund. Ms. Rosinko offered explanations. Ms. Rosinko finished her presentation and the floor was opened for questions. Mr. Wes Bennett asked for clarification on GCSC’s funds transfer from education fund to operations fund. Ms. Rosinko provided an explanation. Mr. Bennett followed up by asking if a classroom can use education fund dollars to support a specific utility need and Ms. Rosinko answered that it is not allowed as far as she has been told. Senator J.D. Ford asked if the 2020 budget has an increase for teacher salaries and Ms. Rosinko responded that they have made space in the budget for that if they receive the necessary funds. Ms. Schaafsma added that in November the collective bargaining agreement will be brought before the Board. Mr. Joyce asked for clarification on why there were more advertisements than required if funding is low. Ms. Rosinko explained that it is past practice and Chairman McAdam added that it is important to get that message to the community.

Ms. Schaafsma added context on what GCSC’s need is versus their funding. Sen. Ford asked about the SBOE report on facility conditions and how the budget plans to address these problems. Mr. Eric Parish, GCSC

Emergency Management Team, provided clarification on the current condition of the facilities. Chairman McAdam noted that GCSC has been prioritizing things such as leaks and roof repairs, and asked Mr. Parish to expand on how they are allocating resources. Mr. Parish gave insight into how projects are prioritized.

Chairman McAdam asked Ms. Schaafsma to give an overview of the action required to be taken and share her recommendation. Ms. Schaafsma explained that the action item is whether or not they would like to approve the adoption 2020 budget and that the actual adoption will occur locally with DUAB's approval. Ms. Schaafsma recommends that the Board approve the budget as presented. Mr. Bennett made a motion that the Board approve the proposed budget for GCSC, and Ms. Tracy Brown seconded. The Board approved the motion 5-0.

Chairman McAdam introduced the next agenda item – the GCSC academic plan. Nakia Douglas, Chief Academic Officer and Deputy Superintendent of GCSC, presented the academic plan. Ms. Douglas explained that GCSC had developed a Quality Schools Framework, based on feedback received from staff, parents and the community through a number of focus group and survey opportunities. The Quality Schools Framework is designed to establish goals for all aspects of GCSC's academic program, including regular data collection and analysis on student progress, professional development for teachers and principals, and improved communication with families. Ms. Douglas explained that many aspects of the Framework were in progress for the 2019-2020 school year and GCSC will continue to build on the implementation of the Framework throughout all of its schools.

Chairman McAdam introduced the next agenda item – consideration of special population contracts. Ms. Iliana El-Khalani, Director of Special Populations for GCSC, provided a summary of the contracts presented and the services being provided under each contract. Ms. El-Khalani explained that GCSC had worked to identify vendors that were able to provide such services and were willing to work with GCSC. Many of the vendors identified have worked with GCSC in the past on such services. Ms. El-Khalani explained that it is difficult to find individuals who are specialized in the required services who would come to work at GCSC full-time, so the best option was to contract for these services.

Chairman McAdam asked Ms. Schaafsma to give an overview of the action required to be taken and share her recommendation. Ms. Schaafsma explained that the action item is whether or not they would like to approve the four contracts presented by Ms. El-Khalani and provided further detail on the not-to-exceed amount for each of the contracts. Ms. Schaafsma recommends that the Board approve the contracts as presented. Mr. Joyce made a motion that the Board approve the special populations contracts, and Mr. Bennett seconded. The Board approved the motion 5-0.

Chairman McAdam asked if there was any new business and seeing none adjourned the meeting.