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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

March 12, 2020

**Call to Order:** A meeting of the Distressed Unit Appeal Board (“DUAB” or “Board”) was held on March 12, 2020, at 10:00 a.m. Eastern at the Indiana Government Center South Building, Conference Room 17, 402 W. Washington Street, Indianapolis, Indiana. Members of the Board attending the meeting in-person included Justin McAdam, Chairman, Wes Bennett, Tracy Brown, Paul Joyce, Representative Vernon Smith and Representative Jeff Thompson. Members of the Board attending the meeting by phone included Rebecca Kubacki. Courtney Schaafsma, Executive Director, was also in attendance.

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

Chairman McAdam introduced agenda item three – Approval of Minutes for the February 13, 2020 Public Meeting. Mr. Bennett made a motion to accept the minutes as presented. Mr. Joyce seconded the motion. The motion passed 5-0.

Chairman McAdam introduced agenda item four – Contract Approval by Executive Director. Ms. Schaafsma presented the approval of two contracts, one for Mind Play and the other for Learning Sciences International, both paid for through Title I. Rep. Smith asked if the listed rate is standard and Dr. McNulty explained that multiple workshops and testing will be provided for all schools under this contract. Rep. Smith asked clarifying questions about the contracts and Ms. Schaafsma answered. Dr. McNulty explained how focus areas for professional development were selected.

Chairman McAdam introduced agenda item five – Gary Community School Corporation (“GCSC”) Emergency Manager Update. Chairman McAdam recognized the transition from Dr. Peter Morikis to Dr. Paige McNulty. He thanked Dr. Morikis for his time with GCSC. Eric Parish provided background information on Dr. McNulty and introduced her to the Board. Dr. McNulty highlighted work on grants, community partner networking, meetings with teacher unions, professional development, increased security, addressing the teacher shortage, and GCSC’s Coronavirus response plan. Mr. Joyce offered advice surrounding GCSC’s Coronavirus response and possible ghost employment and contracts. Chairman McAdam said that Ms. Schaafsma will be assisting behind the scenes. Ms. Brown encouraged Dr. McNulty to reach out to the Indiana Department of Education. Rep. Smith asked about GCSC’s food contract and Dr. McNulty answered. Rep. Smith asked more clarifying questions about communication with the community and Dr. McNulty answered. Rep. Smith asked about student teachers in GCSC classrooms and Mr. Parish gave background on the program referenced.

Rep. Smith asked about Roosevelt and the contract with EdisonLearning. Mr. Parish provided background information and answered Rep. Smith’s clarifying questions. Ms. Schaafsma added clarifying information on the innovation network agreement.

Dr. McNulty overviewed career programs that will be added in the coming school year. Mr. Bennett commended her on her grants work.

Chelsea Whittington provided a communication update. She overviewed GCSC's social media and newsletter reach, employment marketing campaign, Black History Month celebrations, and various student achievements. Rep. Smith asked clarifying questions GCSC's property sales and Mr. Parish answered. Rep. Smith asked clarifying questions about GCSC's competitiveness with charter schools and Mr. Parish answered. Ms. Whittington added information on the marketing efforts around student enrollment. Mr. Joyce asked about programs that set GCSC apart from other schools and Ms. Whittington overviewed many programs that are coming back or launching for the first time.

Chairman McAdam introduced agenda item six – Discussion of Proposed GCSC Early Retirement Program. Mr. Parish introduced the proposed program for teachers 60 years or older with ten or more years of service. Mr. Joyce asked about health insurance and Mr. Parish said that it would be covered through August and then terminate. Rep. Smith asked clarifying questions about the proposed incentive to be provided as compared to current teacher compensation and whether that incentive would be sufficient to attract individuals to the program. Mr. Parish indicated that he felt the amount offered had the potential to be sufficient, as the individuals that would be eligible for the program would have other health insurance options available to them. He indicated that the incentive amount was based on research among other school corporations and historic programs offered by GCSC. Chairman McAdam asked about the early retirement plan in relation to the teacher shortage. Dr. McNulty clarified how they are going about recruiting new teachers.

Chairman McAdam introduced agenda item seven and eight – Discussion of GCSC's Viable Deficit Reduction Plan Update and Discussion of GCSC's Debt and Operating Deficit. Mr. Parish updated the Board, specifically highlighting that the current standing of GCSC's operating deficit is \$6M compared to the \$22M it was when the emergency management team first arrived at Gary. Rep. Smith expressed concerns about adding administrative staff members at many schools and therefore adding costs. Mr. Parish answered that no organization can solely cut their way to prosperity and Dr. McNulty added that those staff members were paid for by federal funds. Rep. Smith shared community concerns about whether or not the emergency management team would really want to work themselves out of a job. Mr. Parish responded to the concerns and Chairman McAdam added that it is the job of the Board to keep them accountable. Chairman McAdam and Mr. Joyce asked clarifying questions on the timeline of this plan and Mr. Parish answered. Ms. Brown asked about the 2021 balanced budget prediction in relation to a referendum and Mr. Parish answered. Chairman McAdam asked clarifying questions and Mr. Parish answered. Chairman McAdam thanked Mr. Parish for his work.

Chairman McAdam introduced agenda item nine – Consideration of Performance Incentive for Gary Schools Recovery, LLC Associated with Substantial Conformance to the Approved Viable Deficit Reduction Plan. Ms. Schaafsma made note that the deficit and debt are declining as well as 22 of 28 initiatives are in process. Mr. Bennett made a motion approve the performance incentive. Mr. Joyce seconded the motion. The motion passed 5-0.

Chairman McAdam requested that MGT put together a presentation on their interest of continuing to work with GCSC and what they would plan to do going forward. Rep. Smith added perspective on how the Board is viewed in the Gary community.

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