
STATE OF INDIANA

DISTRESSED UNIT APPEAL BOARD



INDIANA GOVERNMENT CENTER NORTH
100 N. SENATE AVENUE, ROOM 1058
INDIANAPOLIS IN 46204
(317) 234-2273

Distressed Unit Appeal Board Meeting Memorandum

Monday, March 28, 2022

Call to Order: A meeting of the Distressed Unit Appeals Board (“DUAB” or “Board”) was held March 28, 2022, at 1:00 p.m. EDT at the One North Capitol Building (1 N. Capitol Avenue, Indianapolis, IN 46204) in the First Floor Conference Room. Members of the Board attending the meeting in person included Chairman Justin McAdam, Wes Bennett, Paul Joyce, Representative Jeff Thompson, and Rep. Vernon Smith. Those attending remotely via WebEx included Tracy Brown, Rebecca Kubacki, and Senator Liz Brown. Peter Miller (Executive Director) and Emily Crisler (Counsel) were also in attendance.

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

Chairman McAdam introduced agenda item 3 – *Approval of the Minutes*. Mr. Joyce made a motion the minutes be approved as presented. Mr. Bennett seconded the motion. The motion passed (5-0).

Chairman McAdam introduced agenda item 4 – *Public Comment*. The following individuals spoke:

- **Denise Dillard** is an employer with hospitals in the Gary community. She shared some concerns with surrounding student access to information on graduation requirements and discussed a presentation given at the high school and career center in order to provide students with answers.
- **Portia Horn** is a parent of three kids that attend school with Gary Community School system. She stated that she feels welcome when at her kids’ schools and likes the safety improvements made over the years. She gave a shout out to Ms. Jones.
- **Carmen James** is a parent of a child with the Gary Community Schools, and also commended Ms. Jones.
- **Dawn Jones** is a parent of a middle school student and is an ambassador for the parents with the school system. She stated that things are going in the right direction. She added that she also helped raise her three sisters in the Gary Community School system. She stated that some of the issues are associated with the pandemic, but some are related to those things that had just gone to the wayside over the years. She stated that she was one of those parents that was ready to pull her child out of the school system but is glad she was talked into leaving him with the school.
- **JaNee Jones** has a son at West Side High School and is very proud of the sports and academic programs he is a part of. She is glad that improvements are being made to the field and facilities.
- **Doris Porter** is an employee and past parent of students that attended the Gary Community School system. She stated that she is proud to say that when there is an issue that needs to be addressed, we can quickly call the parent liaisons. She stated that she is a firm believer that if parents knew better, they would do better. She added that she has worked with Dr. Smith for

years when he has come into the schools to work with us on something. She stated that her children have graduated and gone on to be successful and that she is glad for this opportunity and is thankful for a leader like Ms. Millsap.

- **Lovetta Tindal** stated that she has several concerns. She stated that MGT is malfunctioning and DUAB's failure to remove MGT is an issue. She stated that a transitional clause was not put in place at the time of state take over. She stated that there are several repairs that need to be made at West Side Leadership Academy, they need to encourage A+ certified teachers, and they need to put more men in leadership positions at our schools.
- **Tracy Coleman** (*attended virtually*) is a parent of child at the academy. She addressed the recent student walkout.
- **Dwight Gardner** (*attended virtually*) is the pastor of the Trinity Baptist Church in Gary, Indiana. He stated that they were staunch supporters of the referendum and that all of his colleagues are in favor of local control. He added that you cannot deny the improvements that have taken place so far. He discussed the renovations to the athletic fields and the cleanliness of the buildings. He stated that they need is good collaboration to move the school corporation forward.
- **Caren Jones** (*attended virtually*) is the executive director of the YWCA of Northwest Indiana. She stated that she is excited to have a partnership with the Gary Community School Corporation, and that they are about to start our after-school care program. She stated that they are able to do this for the first time in years through the REACH Program and wanted to thank Dr. McNulty for working with them.

Chairman McAdam introduced agenda item 5 – *Gary Community School Corporation Manager Update*.

Dr. Paige McNulty presented updates on the ECA Audit, NEOLA update, Sodexo food evaluation, and recent assessments Mr. Nathan Williamson stated that they recently got our state accountability score back from the DOE and shared their scores. He stated that they are encouraged by those numbers. Mr. Bennett asked to what they attribute those improvements and Mr. Williamson responded. Rep. Smith asked if the growth is just procedural, and Mr. Williamson confirmed. Dr. McNulty provided updates on the school website, enrollment, community meetings, the referendum ambassadors' program, summer school, the EARN Grant, college fairs and FAFSA forms, the Gary Literacy Coalition, the renovated track, the West Side Academy's debate team achievements, and the publishing of a book completed by one of the elementary school classes. Chairman McAdam asked for more information on the conditions of school bathrooms and Dr. McNulty provided information on the bathrooms as well as the student walkout. Rep. Smith asked for clarification on the FAQ sheet and Dr. McNulty responded. Rep. Smith asked clarifying questions on student testing and re-testing. Dr. McNulty clarified that no students were made to re-test in order to raise their score. Ms. Kimberly Bradley stated that second testing is not the same as re-testing and added that if a student logs off in the middle of an exam, they have to log back in restart the test. Mr. Miller stated that he did have an opportunity to review individual test data, and it is still under evaluation. He stated that it is premature to declare exactly what occurred with a handful of instances where a student took a test twice. Chairman McAdam stated that they will circle back when the review has been completed. Rep. Smith asked what is done when parents indicate that they are going to transfer students out of the school system. Dr. McNulty stated that they have released the Intent to Return surveys to parents, and for any parents that have not responded, they are working with parent liaisons to reach out to those parents directly. Rep. Smith asked if she has reached out to parents of

students that have had significant issues and parents that are considering leaving the school corporation. Dr. McNulty stated that they work with the parent liaison teams and the faith-based-leadership groups. Rep. Smith stated that he likes that and that he would like to see that data on those parents that have indicated that they are thinking about leaving. Mr. Williamson added that last year they saw a student enrollment increase for the first time in over a decade. Rep. Smith asked for more information on professional development and Dr. McNulty responded. Rep. Smith asked if they will be identifying and addressing their weaknesses. Dr. McNulty discussed the instructional coaches and the work they are doing with teachers. Mr. Williamson added that all teachers have robust evaluations. Rep. Smith stated that he would like them to refocus the referendum ambassadors to a more limited group of individuals. Dr. McNulty stated that they have broken that committee up to subcommittees, and that they have been able to focus on certain issues more directly. Rep. Smith brought forth concerns about the ambassador program and Dr. McNulty responded. Rep. Smith asked what part of the Gary Community School Corporation curriculum is in place other than the state standards. Ms. Bradley stated that the state standards drive the curriculum and added that they use Pearson for math and McGraw Hill for reading. Rep. Smith asked what they are doing to make sure teachers understand the standards. Ms. Bradley stated that is something those discussions have been weekly and on a grade-level basis. Rep. Smith stated that he would like to see one of those meetings in action. He then asked if they have considered running the NEOLA policies by the community. Dr. McNulty responded that they have not because a lot of the policies are law-driven.

Chairman McAdam introduced agenda item 6 – *Viable Deficit Reduction Plan Update*. Mr. Eric Parish presented and update on the plan. He stated that they are excited to announce that at the end of CY 2021, the Gary Community School Corporation was able to achieve a budget surplus. Chairman McAdam stated that he wants to acknowledge how monumental this is for the school corporation. He added that while we all know that this financial piece is not the primary purpose of a school corporation and work that everyone does every day; however, we also know that fiscal solvency is crucial to providing a school system that educates students. Rep. Smith stated that he is impressed with the work that MGT has done on the fiscal side of this issue. He added that the issue with money is not something that they were taught to worry about as an educator, but at the end of the day, it is central to what they are doing. He asked about the status of the art collection and Mr. Parish responded. Rep. Smith asked how much is owed to the Common School Fund and Mr. Parish responded. Rep. Smith asked clarifying questions about loan payments. Mr. Parish and Ms. Nicole Wolverton responded. Rep. Smith expressed a concern around a lack of accountability around these surplus dollars. He added that they really want to make sure that the school can float for about five years before they have to worry about the next phase. Ms. Wolverton stated that the safety of that is that the referendum dollars can only be used for the purpose outlined in the public question. Mr. Joyce stated that while there are still academic issues going on at the school, he believes it may be more important to focus on academic issues with these surplus dollars, as opposed to paying down the debt. Rep. Smith asked clarifying questions about required investments and Mr. Parish responded.

Chairman McAdam introduced agenda item 7 – *Academic Plan*. Dr. McNulty stated that they are excited to talk about the academic action plan. Ms. Bradley presented an update on the plan. Chairman McAdam stated that their progress is a significant accomplishment and Rep. Smith stated that he is glad to see growth. Rep. Smith asked how this information compares to the contractual benchmarks. Chairman McAdam stated that they have not evaluated that at this time and added that he knows the benchmarks were not met last year. Rep. Smith asked for clarification on a statement provided in the report and Ms. Bradley responded. Rep. Smith asked if the blatant cheating was that under MGT

leadership and Ms. Bradley responded that it was not. Rep. Smith asked follow-up questions on data interpretation and the extended school day. Ms. Bradley and Mr. Williamson responded. Rep. Smith asked if all components of IREADY were purchased, and Ms. Bradley confirmed that they were. Rep. Smith asked how the community is receiving information and Ms. Bradley responded. Rep. Smith asked questions on progress monitoring and Ms. Bradley responded.

Chairman McAdam introduced agenda item 8 – *ESSER Plan*. Chairman McAdam stated that they have authorized the school corporation to move forward on small parts of their plan for the ESSER dollars and that this is something they have asked for a report on due to the level of flexibility allowed with these funds. Mr. Williamson presented an update on the plan. Rep. Smith asked clarifying questions on the outdoor learning spaces and Mr. Williamson responded. Rep. Smith asked if the extended day is voluntary for teachers and Mr. Williams stated that it is required. Rep. Smith asked if they have to receive pre-approval for the funds and Mr. Williamson confirmed that they do. Rep. Smith asked if these funds will be used to address the concerns around the restrooms. Mr. Williamson stated that there is a plan to address those concerns. Rep. Smith asked clarifying questions about the use of the funds and Mr. Williamson responded. Chairman McAdam asked if there is a line item for restroom facility improvements. Ms. Wolverton stated that there are line items included in the capital improvement project plans. Rep. Smith asked if that has been communicated to the community. Ms. Chelsea Whittington stated that they had several radio interviews on the topic. She added that they will also be sharing the information learned here today and that they do use the website as a storage space. She stated that they encourage community members to be added to our communications database. Dr. McNulty added that they did 32,000 mailings two weeks ago. Chairman McAdam asked for more information on the furniture upgrades referenced. Mr. Williamson responded. Mr. Bennett stated that he was very impressed with the plan as it was laid out and that he hope the school corporation is continuing to be aware of the reality that these ESSER dollars are going to end at some point, and they aren't meant for ongoing expenses. Mr. Williamson stated that they have been very strategic in that sense.

Mr. Bennett made a motion to approve the ESSER Plan as Presented with regular updates from GCSC. Mr. Joyce seconded the motion. The motion passed (5-0).

Chairman McAdam introduced agenda item 9 – *Capital Plan*. Ms. Wolverton and Mr. Williamson presented an update on the plan. Chairman McAdam asked clarifying questions and Mr. Williamson responded. Mr. Bennett asked if they are looking at each facility and looking at what it needs now, as well as what it will need several years down the road. Mr. Parish confirmed that they are. Chairman McAdam asked about future benchmarks and Mr. Parish stated that they are still working on them. Rep. Smith asked if there are regulations on the use of these funds and the potential to invest. Mr. Bennett stated that there are some CDs and opportunities out there, but they are very limited. Ms. Wolverton stated that they are in a position to establish a rainy-day fund. Mr. Williamson stated that everything with ESSER is on a reimbursement basis. Chairman McAdam noted that that just because we have surplus dollars today does not mean that we have fully solved the fiscal situation in Gary. Rep. Smith stated that he agrees and thinks that is a story that needs to be told and retold to the community. Chairman McAdam stated that while this board has the authority to release the school corporation from the distressed status, there is no statutory mechanism right now that specifies who the school corporation is handed back to. He stated that is something that the General Assembly will need to decide soon. Rep. Smith stated that the community has expressed that there are superficial things being done to the schools, but they would like to see more remodeling done.

Chairman McAdam introduced agenda item *10 – School Improvement Fund/1065*. Ms. Wolverton presented an update on the plan. Mr. Joyce asked if there has been a plan compiled that would estimate the costs for brand-new restrooms that would have touch-free toilets and urinals. He stated that there are a lot of schools, in our state, that have used ESSER III dollars for that purpose. Mr. Williamson stated that they have not. Rep. Smith stated that they should consider something of the sort. Mr. Williamson stated he was not aware that was something they could do and added it was encouraging to hear. Mr. Joyce made a motion to approve the plan. Mr. Bennett seconded the motion. The motion passed (5-0). Mr. Bennett made a motion to approve the claims docket. Mr. Joyce seconded the motion. The motion passed (5-0).

Chairman McAdam introduced agenda item *11 – Bond Refinancing*. Ms. Wolverton presented an update. Chairman McAdam asked if they are looking for approval on refinancing and Ms. Wolverton clarified it is approval to begin engagements with financers to refinance. Chairman McAdam asked it is a fixed rate. Ms. Wolverton confirmed. Mr. Bennett made a motion to approve refinance engagement. Mr. Joyce seconded the motion. The motion passed (5-0).

Chairman McAdam introduced agenda item *13 – Consideration of GCSC Contractual Obligations and Purchases*. Mr. Williamson presented the contracts.

- a) Apple – iPads**
- b) Trafera – Chromebooks**

Rep. Smith asked about the return rate of the devices and policies in place. Mr. Williamson and Ms. Wolverton responded.

- c) 1st Maker Space – Makerspaces**

Chairman McAdam asked if this is related to the use of ESSER Funds and Mr. Williamson responded. Ms. Brown stated she would like to hear more on plans for how the equipment would be used. Mr. Williamson and Ms. Bradley responded. Chairman McAdam asked if there will be a dedicated class for these activities and Ms. Bradley responded.

- d) Interkal – Gymnasium Bleachers (WSLA)**
- e) Musco Sports Lighting – Football field lights**

Mr. Joyce made a motion to approve all five contracts in an amount not to exceed the presented figures. Mr. Bennett seconded the motion. The motion passed (5-0).

Chairman McAdam introduced agenda item *12 – Contract/Purchase Authorizations by the DUAB Executive Director*. Mr. Miller presented the contracts.

- Close Education – Software Licenses and Professional Development
- IXL Learning – Learning Materials Subscription
- Fruhauf Uniforms – Band Uniforms
- Parchment – Records Digitization

Chairman McAdam asked for more information on the band uniforms and Dr. McNulty responded.

Chairman McAdam asked if there was any new business to discuss. Rep. Smith asked for a status update on the auditorium seats and the potential to donate bricks to the alumni association. Dr. McNulty responded.

Chairman McAdam adjourned the meeting.