SCHOOL OVERVIEW AND ENROLLMENT PROJECTIONS

Name of Charter School: Career Academy of South Bend

School Address: 3801 Crescent Circle
South Bend, IN 46628

Name of Board Chair: Lawrence H. Garatoni

Contact Number: 574-276-1940

Email Address: Larry.Garatoni@hqinvestments.com

Name of Principal/Head of School: Paul Schlottman

Contact Number: 574-339-4133

Email Address: pschlottman@careeracademysb.com

Year School Opened: 2011

Name of Current Authorizer: Ball State University

Does the school contract or partner with an Education Service Provider (ESP) or other organization for school management/operation?* No

If yes, identify the ESP or other partner organization: Not applicable

Proposed Grade Levels and Student Enrollment

Provide the following information for the school, per your current charter agreement:

Academic Year	Grade Levels	Student Enrollment (Actual/Planned)
2013-2014	7-12	380
2014-2015	5-12	526
2015-2016	5-8 and 9-12*	600/600
At Capacity	5-8 and 9-12*	600/600

*Proposed division of existing school into middle school and high school (the middle school may be converted to 7-8 rather than 5-8 if CASB is successful in opening a new K-6 school).

Career Academy of South Bend Change of Authorizer Application to Education One, LLC

Proposal Narrative

Executive Summary

1. *Provide a brief description of the school's mission and vision.*

The school's mission statement, as stated in its charter, is:

> **The Career Academy's mission is to prepare our students to become productive and contributing members of society by combining core academic courses with vocationally oriented education.**

The rationale for the school's approach is well documented in the Harvard Graduate School of Education's February 2011 report *Pathways To Prosperity*,[1] published shortly after the Career Academy was conceived. The *Pathways* report provides a well-researched and documented case for what the founders of the Career Academy, Larry Garatoni and Steve Hartz, concluded from their own experience, including the following:

- The standard model for U.S. schools is divorced from the workplace world and as a result fails to prepare students for the challenges they face after graduation
- Measuring success by whether students go to college is inappropriate:
    - Only about half of U.S. students go to college; a system which treats not going to college as failure is failing a large portion of its student population
    - Many students who go to college drop-out; "going to college" is not success[2]
    - Graduating from college with substantial debt or without realistic career prospects commensurate with the time and money devoted to college is not success
    - Many good jobs do not require a four year degree: many "middle-skill" jobs require only an associate's degree or occupational training/certification, and pay well: 27% of such jobs pay more than the earnings of the average bachelor's degree recipient.[3]
- Post-secondary education should be strongly encouraged but should be based on a realistic understanding of career opportunities and post-secondary options.[4]

---

[1] *Pathways To Prosperity: Meeting The Challenge Of Preparing Young Americans For the 21st Century*, Pathways To Prosperity Project, Harvard Graduate School of Education, February 2011, available online at http://www.gse.harvard.edu/sites/default/files//documents/Pathways_to_Prosperity_Feb2011-1.pdf.

[2] Only 30% of Americans earn a bachelor's degree by their mid-20s. *Pathways*, p. 9. "Going to college" figures are misleading: only 56% of those enrolling in a four-year college attain a bachelor's degree after six years. *Ibid*, p. 6.

[3] *Pathways*, p. 3; see also p 25 ("graduates of the best community colleges often earn more, and have a far clearer sense of direction, than some of their counterparts with B.A.'s").

[4] *Pathways*, p. 28: "at the high-school level, the quality of CTE [Career and Technical Education] programs varies enormously, and many of the best new programs serve only a small number of students. There is a similar disparity in both quality and completion among community college programs." There are many excellent programs, such as registered apprenticeship programs, see U.S. Department of Labor website, http://www.dol.gov/dol/topic/training/apprenticeship.htm,, described in *Pathways*, (p 25) as "a well-kept secret . . . extremely effective pathway to jobs." There are roughly 500,000 apprentices enrolled in such programs, and many

- Many students (including academically strong students) are turned off by traditional academic/abstract teaching[5] and will be far more engaged (and much more successful) with a hands-on project-based approach to education.[6]
- What matters most is not learning "content" but learning how to learn, how to work in teams, how to be resilient[7], a healthy work-ethic[8], and the importance of dependability.
- While the welfare of students is paramount, a career-based education is also vital to the health of the economy – in South Bend,[9] in Indiana,[10] and in the U.S. as a whole.[11]

The Career Academy was conceived and is operated on these principles.

2. *Provide a brief narrative highlighting the school's accomplishments since its launch. Briefly address the opportunities and challenges facing the school.*

   The school's major accomplishments since opening in August of 2011 have been:

   a. Growth in enrollment (from 151 students upon opening in August of 2011 to 509 students in 2014-15), reflecting a highly positive "word of mouth" effect: students and parents like the school. See enrollment chart at page __ below.

---

in unregistered programs, *Pathways*, p. 33. However, the average age of beginning apprentices is 25. Howard Gordon, *The History and Growth of Career and Technical Education in America*, Waveland Press 2008, p. 7. These could be effective for high school students, but it takes years for students to find their way into such programs. Similarly, as the *Pathways* report notes at p. 13: "Many adults over the age of 25 have discovered that community colleges offer programs leading to well-paying jobs . . . but recent high school graduates are often poorly represented in such programs due in part to lack of information."

[5] See "Black Students Want More 'Relevant' Coursework," South Bend Tribune, January 20, 2015, http://www.southbendtribune.com/news/education/black-students-want-more-relevant-coursework/article_018937d1-3c09-53db-9685-efc05ef6be30.html.

[6] See *Pathways*, p. 27, describing Project Lead The Way, a project-based educational approach used by the Career Academy (described at http://www.pltw.org/).

[7] See Paul Tough, *How Children Succeed*, especially chapter 2 ("How To Build Character."); summary at "What If The Secret To Success Is Failure," New York Times Magazine (Paul Tough), September 14, 2011, at http://www.nytimes.com/2011/09/18/magazine/what-if-the-secret-to-success-is-failure.html?_r=1; see also Angela Duckworth's 10/18/2009 speech "True Git: Can Perseverance Be Taught?" available online at http://tedxtalks.ted.com/video/TEDxBlue-Angela-Lee-Duckworth-P.

[8] Industriousness can be *learned*, see Peterson & Seligman, *Character Strengths and Virtues*, p 241.

[9] Steve Hartz found it very difficult to find employees for his machine-tool shop, and found from speaking to many other local business owners that they agreed: the local schools are not preparing young people to be qualified for jobs available in the Michiana economy.

[10] In Indiana, 36% of the workforce was over age 45 as of 2004, but the manufacturing workforce is significantly older (primary metal manufacturing: 55%; electrical equipment manufacturing: 54%; computer and electronic manufacturing: 50%; machinery manufacturing: 45%). "Boomer Retirements In Indiana" (Research and Analysis Department of the Indiana Department of Workforce Development, at http://www.incontext.indiana.edu/2005/september/1.asp. Steve Dwyer of Conexus Indiana writes "with the average age of the Indiana manufacturing worker hovering at about 50, the state faces a looming shortage of qualified employees." From "The Jobs Keep Coming, But We Need Qualified Workers" (press release, July 1, 2010, at http://www.conexusindiana.com/news-release/new-post-title.

[11] "Help Wanted on Factory Floor," James Hagerty, *Wall Street Journal*, May 6, 2011 (online at http://online.wsj.com/article/SB10001424052748703643104576291360540691764.html

b. Academic improvement year to year as reflected by ISTEP passing rates.[12]

c. Recruiting and developing a strong teaching team, which can be expected to lead to further academic improvement.

d. Establishment of working relationships with many area businesses, providing students with opportunities for job shadowing, internships, class visits, & exposure to the business/professional world. see enrollment chart at page ___ below) in appendix

While these accomplishments are significant, there have also been challenges, of which the foremost is that students arriving at the Career Academy typically are at reading and math proficiency levels two or three years behind national norms for their grade level, reflecting conditions in the South Bend Community School Corporation schools.[13] Although there has been academic progress, the starting point was so low[14] that CASB received an "F" grade for its first three years. A factor in the "F" grade was CASB's extensive involvement with The Crossing, an alternative education program (see Indiana Code 20-30-8-1) focusing on drop-out recovery, see http://www.crossingeducation.com/: as indicated in Attachment 6, CASB's extensive enrollment of Crossing students who never actually attended CASB, which peaked in 2013-14 and has now been discontinued, adversely affected CASB's graduation rate and other IDOE data. But without regard to the Crossing effect, the academic data for students attending CASB was unacceptable.

Recognizing that the academic performance in the 2012-13 school year was insufficient, the school retained a new principal, Paul Schlottman, in December of 2013. Mr. Schlottman has made extensive changes, including replacing roughly half of CASB's teachers during the summer of 2014. Much of Mr. Schlottman's approach is described in the Student Improvement Plan filed with the IDOE in March of 2014, which was incorporated in the amendment of CASB's charter in the spring of 2014 to authorize opening Grade 5 and Grade 6 in the fall of 2014-15. Mr. Schlottman recruited 27 new teachers and staff members for the 2014-15 school year, including "Master Teachers" with extensive experience and a record of proven academic success, who not only teach but devote a substantial part of each working day to coaching other teachers. Teachers have received professional development in the Schlechty Center's "culture of engagement" techniques (http://www.schlechtycenter.org/) and in the Smekens "6+1" writing methods (http://www.smekenseducation.com/6-traits-of-writing.html). As reflected in this year's

[12] The Career Academy's ISTEP passing rates have been:

% passing ISTEP	2011-2012	2012-2013	2013-2014
Both English & Math	36.5	41.8	53.5
English	45.8	48.4	64.0
Math	47.9	52.7	62.5

[13] In 2010, SBCSC ranked 288 of the 292 Indiana school systems in the percentage of students passing the English and math ISTEP tests: only Hammond, Gary, Indianapolis and East Chicago were lower. Indianapolis Star, 7/12/2011, http://www.indystar.com/article/20110713/NEWS04/107130324/ISTEP-Improvement-not-much?odyssey=mod_sectionstories. The Career Academy's assessment of its students is based on the Northwest Education Association (NWEA) standardized tests.

[14] The school's initial ISTEP passing rates were low in comparison to SBCSC, reflecting that the school was enrolling many of the weakest students who had attended SBCSC schools.

Acuity test scores for the Algebra and English 10 ECAs, the school believes that Mr. Schlottman's approach is working well.

Despite past improvement and expected further improvement, the school expects that 2014-15 ISTEP and ECA test scores will be a challenge due to this year's tests being substantially more difficult than tests in past years as a result of Indiana's new academic standards. It is expected that the effect of the new test on CASB will be evaluated in a context of substantially lower scores state-wide, even at the highest-performing schools. While this is not a problem unique to CASB, the use of very different tests will make it difficult to prove academic improvement from 2013-14, and may result in another "F" grade in 2014-15. Whatever is done with Indiana's school grading system, CASB expects that the underlying reality is that academic performance will continue to improve, and the school's "grade" will improve in future years.

3. *Explain why the school's board would like to switch authorizers.*

As indicated in its 11/24/2014 letter of intent, the Career Academy discussed with its current authorizer, Ball State University, its desire its current operations into a high school (grades 9-12) and middle school (grades 5-8), which would conform to how public schools in St. Joseph County are organized and help establish a more independent identity for the middle school, and to expand to a full K-12 program by adding an elementary school. BSU was not willing to approve these plans. Also, as CASB has learned more about Trine University, we came to believe it would be a better working relationship in that Trine has both an engineering focus and an entrepreneurial perspective. While academic success is important, an exclusive focus on test scores misses the bigger picture, and a "deficit mindset" is counterproductive.

Governance And Management

1. What legal entity is the school's charter holder? How does the chosen governance model support quality oversight of the school, including monitoring of academic outcomes, financial health, organizational compliance, and school leadership performance? Please list all active board committees (e.g., Finance Committee).

The charter is held by Career Academy of South Bend, Inc., an Indiana non-profit corporation governed by a seven-member board of directors. Larry Garatoni, the school's president/treasurer and one of its founders, has provided and continues to provide extensive financial support both personally and through the Garatoni-Smith Family Foundation. Mr. Garatoni has recruited the other members of the board, each of whom has valuable expertise, and provides the services of the school's attorney, Charles Loeser, and (on a temporary basis) an accountant, Kim Richardson (Mr. Loeser and Ms. Richardson are employees of Mr. Garatoni's company, HQ Investments). The board's oversight of the school, including monitoring of academic outcomes, led to the recruitment of Mr. Schlottman as the school's new principal at the start of 2014. As initially organized in February 2011, board functions included an Executive Committee, Finance Committee, Marketing Committee, and Academic Committee, however only the Finance Committee is currently active.

2. *List the school's current board members and provide a brief explanation of the expertise each member brings to the board. Has there been any significant board member turnover? How long has the current Board Chair been in his or her role? As* ***Attachment 1,*** *provide resumes for the Board Chair and all other Board officers.* [Attached.] *As* ***Attachment 2,*** *provide a copy of the Board minutes from the last three Board meetings.* [Attached.]
The current board members are:

Lawrence Garatoni President/Treasurer Finance Committee	Retired businessman/philanthropist.[15] Expertise in business, finance, and management. Resume at Attachment 1.
Tracy Graham Finance Committee	Founder of multiple successful software businesses. Notre Dame graduate, active in many non-profit organizations. Served on transition team for South Bend mayor Pete Buttigieg.[16]
Vivian Sallie Secretary	Expertise in governance of non-profit organizations, marketing and community relations. Resume at Attachment 1.
Jinny Longbrake	H.R. Director of Beacon Health System. Expertise in health careers. Serves as of Chair, Indiana Workforce Board Association and Northern Indiana Workforce Board.
Larry Davis	President/Owner of Daman Products http://www.daman.com/ Expertise in advanced manufacturing, extensive experience in support of educational organizations. Indiana's Small Business Person of the Year 2005. Recipient of the South Bend Alumni Association's 2011 Corporate Contribution to Education Award
Suzanne Wiwi	Principal of St. Joseph Grade School, South Bend, which was named a 2011 National Blue Ribbon School[17] by the U.S. Department of Education. Expertise in education.
Thomas Coley, Ph.D.	Chancellor of Ivy Tech Community College, Northwest and North Central Regions. Expertise in education.

Of the seven board members, four (Mr. Garatoni, Mr. Graham, Ms. Sallie and Ms. Wiwi) have served since the first board meeting in February of 2011. Dr. Coley was elected in March, 2014 to replace Robert Staley (founder/CEO of The Crossing), who resigned. Mr. Davis was elected June 2014 to replace James Summers (a retired business executive), who resigned. Steve Hartz, one of the founders of the school, resigned from the board after becoming a resident of Florida (BSU requires all board members to be Indiana residents); he was replaced by Bruce Greenberg, who served for over a year before resigning because he moved to Florida; Mr. Greenberg was replaced by Jinny Longbrake. Mr. Garatoni has served as Chairman of the Board/President since the corporation was founded in July, 2010.

[15] See http://www.uwsjc.org/news-and-events/e-news/388-philanthropist-of-the-year-winners-judy-a-larry-garatoni.html.
[16] See http://www.freshstartsouthbend.com/transition-team/tracy-graham.
[17] See http://www2.ed.gov/programs/nclbbrs/index.html.

3. *Describe the school's leadership structure. How does this support the school design, as well as effective operations of the school? Has there been any significant leadership turnover at the school? As **Attachment 3**, provide the resume for the current Head of School/Principal.*

The school's leadership structure, as reflected by the right half of the organizational chart (see Item 2 of the Phase One documents submitted 1/27/15), relies largely on the "Master Teacher" for each group (Yvonne Kinney for Grades 5-6, Chad Rogow for Grades 7-8, Alvin Essenburg for Grades 9-10, Jeff Mandeville for Grades 11-12, and Alex Hammel for Electives). Each of them supervises and coaches the other teachers in their area. The left side of the org chart shows the extensive staff for Special Education (headed by Rachell Davis) as well as the remediation and administrative staff. The leadership structure is needs-based, arranging staff into areas of need and providing the leadership needed for operations, curriculum, student support services, development, etc. This structure may be revised to adapt to the evolving needs of our students and our organization. Resume of Mr. Schlottman is attached.

4. *As **Attachment 4**, provide a copy of the school's Governance Documents (i.e., 501(c)(3) Letter of Determination from the Internal Revenue Service, Articles of Incorporation, Bylaws, Conflicts of Interest/Code of Ethics Policies).* Attached.

School Overview

Education Program

1. *Describe the guiding educational philosophy of your school. Provide an overview of the curricula, tools, methods and instructional techniques that support the educational philosophy.*

The school's "guiding educational philosophy" is "education for life" – as described in the executive summary. A major aspect of that approach is the focus on project-based learning, not only in the school's extensive offering of Project Lead The Way classes[18] but in all classes. Lecturing is minimized, participation is maximized. CASB emphasizes not only science, technology, engineering and math (STEM; or " STEAM" – including art) but a "whole child" approach including socio affective counseling and relationship-building. CASB education is not just about science, technology, engineering and math; the goal is an applied, integrated approach to those subjects, using math and science to solve real-world challenges and problems, helping students understand and appreciate the relevancy of their work to the world around them.

"Real world" education also means longer school days (8am-5pm), systematic career research starting at grade 7, exposure to local businesses (at the school and at business sites), exposure to social issues (the annual "Fallen Heroes" march; the annual "Challenge Day" (http://www.challengeday.org/) when CASB students (many of whom are from single parent homes or are otherwise disadvantaged) find they are not "alone" in those challenges.

[18] See https://www.pltw.org/.CASB offers, among others, Intro to Advanced Manufacturing, Advanced Manufacturing, Computer Integrated Manufacturing, Introduction to Engineering and Principles of Engineering.

The curricula, tools, methods and instructional techniques that support the educational philosophy include, in addition to PBL/PLTW:

- Elementary foreign language (Spanish) for 30 min. daily
- Teacher looping (building solid relationships with teachers and staying with their student for two to three years)
- Orton-Gillingham language training, which although designed for special education and Dyslexic students is even more effective with general education and high ability kids)
- Technology supported instruction - training students early to use technology to learn and to use technology responsibly.
- Effective use of instructional technology, e.g., direct instruction is recorded and posted with lesson plans daily so parents can review with their child and can be their child's primary teacher; direct instruction webcast on a secured network so that students who are home sick can still participate with students; direct instruction webcast so that students can continue to participate in instruction on snow days.)
- 1-to-1 tablet technology so students always have computers as instructional tools. These can also be signed out to parents so that students can have access to technology at home when needed.
- whole child service – social work, socio-effective

An important element of instruction is extensive remediation service:

- All Algebra 1 and Geometry students have two math classes daily (120 min.)
  (Alg. 1 / Alg. 1 Applied Math Lab; Geometry / Applied Geometry Lab)
- Students retaking ECA receive remediation daily
  (English 10 Remediation and Algebra I Remediation)
- English 10 students that need even more support are pulled out of 9th period with Reading specialist in small groups three (3) days a week
- 7th & 8th graders needing more support are pulled out of 9th period with a Reading specialist two (2) days a week
- ISTEP practice tests are used to target students needing additional support
- Students are ability grouped, and those needing more help are grouped into smaller classes.
- 5th and 6th grade students have two ELA classes (Writing and Reading) daily (120 Min.)
- 5th and 6th students all received additional Math help during 9th period
- Student achievement data and academic vocabulary are posted in every classroom

2. *Describe the interim assessments (e.g., DIBELS, Acuity, NWEA MAP, etc.) used by the school to assess student performance and improvement.*

   CASB uses Acuity Assessments and NWEA to monitor student progress and growth.

   Academic progress is monitored using NWEA in Reading, Language Usage, Mathematics and Science. This assessment demonstrates where the students are proficient and in what academic areas they need additional support and resources.

NWEA scores measure growth for the teachers and students as the year progresses. The NWEA is administered to CASB students four times a year. All the data from NWEA assessments is used for student placement and grouping as well as teacher instructional practices and focus.

Acuity Assessments consist of Readiness and Predictive. Students in grades 5 – 8 take Acuity Readiness tests, which guide teachers in identifying instructional strategies and preparing lessons. The Readiness assessments measure to extent to which students have e mastered the material to be covered during the academic year.

Acuity Predictive assessment tests are administered to Algebra I and English 10 students. These tests were designed to identify what students are on course to pass the Algebra I and English 10 ECA tests, as well identifying what areas be need to be addressed in the teacher's instructional practices.

3. *Is the board satisfied with the school's academic outcomes to date? If no, what corrective actions has the school taken to ensure the school is on a positive academic trajectory?* The board was not satisfied with the school's academic outcomes for its first two and a half years of operation, which is why Mr. Schlottman was recruited to take over as the school's principal. The board is pleased with the progress that has been made since Mr. Schlottman took over in January of 2014, but further progress is necessary.
*As **Attachment 6**, provide the completed Academic Performance Workbook (please use provided EXCEL template).* Attached. *As **Attachment 7**, provide a copy of the school's most recent accountability/annual report prepared by the current authorizer.* Attached.

Financial Management

1. *What staff member is primarily responsible for managing the school's finances?*
Kim Richardson, a CPA employed by Larry Garatoni's company HQ Investments, has been providing accounting services for the school since the resignation of the school's prior CFO in July of 2014. The school is in the process of recruiting a new CFO and expects to have a new CFO on board in April.
Does the school have any contracts for bookkeeping services? No. *If yes, please provide the name of any providers.* Not applicable.\

2. *As **Attachment 8**, provide the following financial information for the school and any related business entities:*
   a. *The last three years of audited financial statements and management letters for the school; and*
   b. *Current fiscal year budget and year-to-date actual expenses.*

Since the school has only completed three years of operations and the audit for the fiscal year ending 6/30/2014 has not been completed, Attachment 8 provides the audited statements for FYE 6/30/2012 and FYE 6/30/2013, as well as the school's financial statement (with comparisons to budget) for the current school year through the end of January.

Operations and Compliance

1. *Is the school facing any major operational challenges, including challenges with facilities, transportation, technology, school lunch program, etc.? If yes, briefly describe the board's plan to address these challenges.*
   The school views transportation as a significant challenge. Indiana does not provide any form of funding for transportation for charter schools. Most CASB students rely on their parents for transportation (the school has arranged with the South Bend city bus service for a direct route from the west side of South Bend – where many CASB students live – but only a small minority of CASB students use the Metro bus service. CASB is pursuing Title I funding for bus services, for which the school qualifies legally, but to-date no such funding has been available.
   There is also a challenge with the traffic flow for student drop-off and pick-up. With this year's increased enrollment, it has been necessary to employ off-duty police officers to direct traffic during drop-off and pick-up. The school is investigating the possibility of acquiring an adjacent parcel to provide more space for parking and traffic flow.
2. *Identify any current or past litigation, including arbitration proceedings, involving the charter school. Provide the following as **Attachment 9**: (a) the demand, (b) any response to the demand, and (c) the results of the arbitration or litigation.*
   As indicated in Attachment 9, there is not any current litigation or arbitration proceedings, nor has there been any in the past.

Other Information

1. Describe any other information the board believes is relevant to the evaluation of the school's Change in Authorizer application.

The school believes that its growth in enrollment demonstrates its growing reputation and acceptance by the public, see "Market Success" attachment (next page).

Enrollment By Grade*

Grade	2011-12	2012-13	2013-14	2014-15
Grade 5				72
Grade 6				46
Grade 7	42	58	33	70
Grade 8	50	67	65	60
Grade 9	59	78	62	90
Grade 10		85	76	66
Grade 11		28	89	64
Grade 12		24	55	41
Total Enrollment	151	340	380	509

*As reported at the IDOE COMPASS website (figures prior to 2014-15 include students enrolled at CASB but attending The Crossing).

Many parents and students have expressed their satisfaction with the school. A selection of quotes is attached.

Areana Rock (7th Grade; FB review)— 5 STARS! This is only my first year here but I love it more than my old school. The teachers are more trustworthy and they care about you. We do lots of projects and the teachers make sure you understand everything. We had Challenge Day last week and it was a full day of expressing your feelings and knowing you're not alone and that there are people who care. I can't think of another school that would do that!

Julie Jones (parent; FB) — Some of the MOST CARING, hardest working teachers in the State of Indiana!

Jadea Crum (8th grade; FB) — Omg! I love CASB because we just had Challenge Day, one of the most amazing days of my life. I learned something from it , "you're not alone". And we are always doing something like fun activities or hands on projects. Thank you CASB for changing me!

Tammi Roberts (parent) — Wonderful school! My daughter struggled so much in SBCS and I could not get the support she needed. CASB had it all in place before school started! :-) She was also bullied horribly in SBCSC and has not had a problem here. This school is such a blessing

and has given her the confidence to be successful in school and life! My daughter LOVES this school! It is nice to see her come home happy! In her SBCS, she came home crying at least once a week because of extreme bullying. It is such a blessing to have this school in our community!

Louie Sanchez (parent) Teachers care about their students! I see how my kids changed for the better as far as learning and I sense confidence in themselves.

Heather Kaiser (parent) My daughter has never enjoyed learning as much as she has at CASB! The teachers have helped her to build her confidence and explore new opportunities. She has become so engaged in all that the school has to offer with outstanding support from teachers. As a parent my own personal experiences have been equally positive. I am grateful for this school and the amazing staff!

Karen Gherardi (Parent) I do admire his teachers at Career Academy South Bend. They go above and beyond the standards set by traditional schools and ensure that the children work to their full potential. Each child is an individual at different levels in each subject. They do not just check-the-box. George feels like he is part of a community there; everyone helps everyone. He has no hesitation to talk to any member of the staff when problems arise. George feels like his ideas are taken into consideration and that they are appreciated. For example, George saw a need for his friend to have a designated area that he could go to when the class activities were too stressful for him. George suggested a student lounge. The teachers told George to develop a presentation on the idea for the staff. George gave the presentation, and the idea was approved. George and his friend are working with teachers to enhance an area that was already designated for students.

Amanda Silva (parent) My son is excited to go to school there! Haven't seen that from him in years! Thank you!

Anne Wierenga (parent) You are making such a difference for our family! Our son comes home every single day with a happy heart and a love for school. THANK YOU!

David Popielski (parent) Our boys are loving it!!!! Glad to see a smile on their faces after school!

Wendy Baylor (parent) My son has never been so happy at school, he comes home eager to share about his day and wakes up each morning ready to go to school. Thank you for all you do for these kids.

Career Academy of South Bend Change of Authorizer Application to Education One, LLC (Trine University)

Attachment 1: Board Officer Resumes

Career Academy of South Bend, Inc., has three officers:

Lawrence H. Garatoni, President/Treasurer

Vivian Sallie, Secretary

Charles M. Loeser, Assistant Secretary

Resumes are attached.

RESUME

Lawrence (Larry) Garatoni
4100 Edison Lakes Parkway, Suite 260
Mishawaka, IN 46545

- Personal and Education
  - Married for 50 years with four children and 13 grandchildren.
  - BSCE 1961 Purdue University and completed Owners/President Program of Harvard Business School.
  - Rank of Captain in Army Reserve.

- HQ Investments (2007-Present)
  - Manage investments in public equities, private equities, hedge funds, venture capital and angel investing.
  - K-12 education focused philanthropic activities.
  - Manage Garatoni Family Foundation.

- Software and Internet sales companies (1994-2007)
  - As CEO of Achieve Healthcare Technology, acquired several software companies and led development of a leading edge product.
  - As CEO of FurnitureFind.com and Winesource.com, led development of two on-line retailing companies.
  - Companies sold in 2007.

- Health Quest Group (1969-1994)
  During this time, founded and operated as CEO several companies. All these companies were sold in the 1993-1994 time period.
  - Health Quest Corporation – managed long term care, assisted living and independent living retirement facilities.
  - Health Quest Development Corporation – developed, designed and constructed 34 major real estate developments containing 4100 long term care beds, 520 assisted living units and 300 independent living retirement apartments.
  - Achievement Rehab Corporation – provided contract therapy services to LTC facilities in six states.
  - Long Term Care Pharmaceutical Services Corporation – provided institutional pharmacy services to 22,000 LTC beds and 1,100 correctional facility inmates. Had six locations in three states.
  - Health Quest Infusion Therapy Corporation – provided home infusion therapy services and patient support from three locations.

  Also started and later ceased operation of a physician practice management company, and a home health company.

- Nursing Home Partnership (1964-1969)
  During this time, built and operated one LTC facility with a partner. Later bought the partner's interests.

Vivian G. Sallie

Vivian Sallie is President of Sallie and Associates LLC, in Granger, Indiana. She is a Parliamentarian, certified by the American Institute of Parliamentarians. Vivian assists nonprofit organizations in developing their bylaws and other governing documents. She also presides as a governance consultant with government agencies.

Employment:
Vivian has over 25 years experience in marketing, strategic planning, fundraising and business development in both the private and public sector. Her professional career includes International Harvester Co. (Navistar) where she served as the Southern Region Communications Director (1974-1981); Senior Marketing Director, Hospital Division with Humana Inc.,a health care corporation headquartered in Louisville, KY. (1981-1990). While in Louisville, she was part owner of three Paradies © retail gift shops located in the Kentuckiana Regional Airport and later sold them to HMS Host after relocating to South Bend. In South Bend she served as Director of the Minority and Women Business Development Office, an affiliate of the Chamber of Commerce of St. Joseph County (1992-2007). During those years she taught a business development class at Saint Mary's College. She also created a youth development program called YEOP (Youth Economic Opportunity Program) which assisted at-risk youth in learning life-skills, finding employment, and volunteerism. In 2007 she was named Vice President of Development for United Way of St. Joseph County and lead campaigns that exceeded $3 million for each of the next two years. In 2008 she accepted the position of Vice President and Director of Development for WNIT Public Television during that organization's $6.5 million capital campaign and relocation to South Bend, IN. In 2012 she retired from WNIT to care for a terminally ill parent.

Community Service:
Vivian's community involvement includes service on the boards of Beacon Health System (Nominating and Governance Committee Chair); Association of Fundraising Professionals (Chapter President); Northern Indiana Historical Society (Governance Chair); South Bend Career Academy, Industrial Revolving Fund of St. Joseph County, and South Bend Rotary Club (Programs Chair). For over 18 years Vivian has hosted, "Michiana Talks" a local community affairs program on WUBU-FM radio station serving the northern Indiana and Southwest Michigan listening audience (1994-2012).

Education:
Vivian is a native of Illinois and a graduate of Southern Illinois University where she earned a B.S. degree in Sociology. She has also completed continuing education classes at Bellarmine College, Louisville, KY and Indiana University South Bend. She is a certified Steven Covey facilitator and she has also attended numerous leadership development and innovation workshops.

Family and Faith:
Vivian is married to Arnold Sallie and together they are parents to five children and nine grandchildren. She is a member of Greater Saint John Missionary Baptist Church and Women's Bible Study Fellowship (BSF).

Charles M. Loeser
Office: 4100 Edison Lakes Pkwy, Suite 260. • Mishawaka, IN 46545 • (574) 271-5145, ext. 218
• charles.loeser@hqinvestments.com

Education: **Michigan State University** - B.A. in Political Science, 1974

Harvard Law School - J.D., 1977

Employed by Health Quest Group (Larry Garatoni) since 1983, General Counsel since 1987. Counsel for Career Academy of South Bend, Inc. since its inception in July 2010.

1994-2007 **Achieve Healthcare Information Systems/Achieve HealthcareTechnologies**
General Counsel

Corporate attorney for Minneapolis-based provider of software and related services to the long term care industry, serving approximately 3,000 facilities nationwide with comprehensive systems for the financial and clinical operations of nursing homes, assisted living facilities, and related facilities.

- Preparation of standard forms and negotiated exceptions for all client contracts
- Agreements for acquisition of software-related companies
- Agreements for acquisition of licenses for resale of third party software/services
- Partnerships/joint ventures/service agreements
- Employment law
- Supervise litigation/arbitration

1983-2015 **Health Quest Group,** South Bend, Indiana
General Counsel (1987-2015), Assistant G.C. (1983-1987)

Corporate attorney for privately-held organization which as of 1983 was operator/developer of nursing homes, assisted living facilities, and retirement housing facilities in Indiana, Florida, & Illinois (30+ facilities), moved into operation of pharmacies (8 branches, serving 22,000+ nursing home residents), rehabilitation therapy (150+ therapists), home health care, and physician practice management. During 1990's divested, sold pharmacy, therapy and home health businesses, leased/sold facilities; acquired software company, and began venture capital investments. In 2007 sold software company & other operating companies. Now involved as angel investor focusing on early-stage Indiana (especially Michiana) based companies.

- Represented company as buyer, seller, lessor & lessee in 50+ sale/lease transactions
- Represented company as borrower in 50+ financing/refinancing transactions, including construction loans, municipal bond-based financing, HUD/FHA financing, multiple-bank credit-enhanced transactions
- Represented company in regulatory, litigation, and employment matters

1994-2015 General Counsel for SLCM LLC
Represented developer (and until 2004 operator) of assisted living facilities and retirement housing facilities) in real estate acquisitions, construction contracts, financing, customer & employment matters

1977-1983 **Bonahoom, Chapman, McNellis & Michaels,** Fort Wayne, IN
Associate attorney with concentration in real estate and litigation

Bar Admission: Indiana (1978)

Career Academy of South Bend Change of Authorizer Application to Education One, LLC (Trine University)

Attachment 2: Board Meeting Minutes

Attached are minutes of the last three board meetings of Career Academy of South Bend, Inc.

Career Academy of South Bend, Inc.
Minutes of Meeting of Board of Directors
Tuesday, October 21, 2014
3801 Crescent Circle, South Bend, IN

Directors present: Larry Garatoni, Jinny Longbrake, Vivian Sallie, Larry Davis, Tracy Graham Tom Coley.
Absent: Bruce Greenberg and Susan Wiwi

It was determined that a quorum was present and the meeting was called to order at 5:38 p.m. by Board President, Larry Garatoni.

Minutes of the September 24, 2014 board meeting were approved.

Two students shared with the board their experiences while on a trip to Bair Lake. The "take aways" from the trip for both students were getting to know new people, building relationships with old and new friends. One student added that he learned new leadership skills from his responsibilities of helping to coordinate and schedule the trip.

School Operations: School Superintendent, Paul Schlottman reported on traffic flow improvements. A map was distributed showing proposed entrance, exit and student drop-off changes. Additional sidewalks will be added for safety and convenience. The target goal is to go from 20 minutes to 10 minutes pick-up time and make parents a lot happier. Changes will begin immediately.

Paul Schlottman also reported on the 2013-14 ISTEP Comparisons. Indiana Star was the source of the data. CASB had an 11.8% improvement in passing proficiency. The Fall 2013-Spring 2014 NWEA Proficiency and Growth Results were also reviewed. Board members reviewed the data and noted that there have some slight improvements. A report was distributed which indicates 27.9 percent of students are above proficiency in reading and 29.4 percent are below reading proficiency. Mathematics proficiency rate is 22.0 percent above average proficiency and 40.7 percent falls below. Language proficiency is 27.7 percent above average and 24.6 percent below. Discussion followed regarding clarification of the data.

Chad Addie reported that new software is being researched for customer resource management and site development. The purpose of the software is to assist with analyzing data to inform decision making when selecting future sites and tracking family engagement for development purposes.

President Garatoni closed the meeting with comments from visitors and school staff. It was reported that a successful blood drive held earlier on October 21 was organized by students. Board members were invited to attend a student theatrical performance. It was reported that the student band has shown great improvement. Bart Foster reported that the student body has seen an increase from 50 special education students to 150 special education students. Some of the students in special education classes have been diagnosed as autistic. He also reported that discipline has not been a significant problem this school year. There have been two expulsions due to lack of respect for rules this school year.

The Board meeting adjourned at 6:30 p.m. and a closed Executive Session followed.

Vivian J. Sallie
Vivian Sallie, Secretary

Career Academy of South Bend, Inc.
Minutes of Meeting of Board of Directors
December 16, 2014

Directors Present: Larry Garatoni, Thomas Coley, Jinny Longbrake, Vivian Sallie, Suzanne Wiwi
By Phone: Steve Hartz
Absent: Tracy Graham, Larry Davis
Staff Attending: Paul Schlottman, Chad Addie, Kim Richardson, Charles Loeser, others

Larry Garatoni called the meeting to order at 6:50 pm.

A. Minutes of Prior Meeting. Vivian moved for approval of the minutes of the prior (October 21) meeting, Suzanne seconded, and the minutes were unanimously approved.

B. Rooftop Heater. Paul presented a memo from Evan Henry, CASB Facilities Director, outlining the need to replace the Roof Top Unit for the welding area, construction area, and back offices. The unit has become unsafe to operate; a gas odor was detected and the unit was found to be rusted through, so the gas supply was turned off. A supplemental heater has been used temporarily but the RTU needs to be replaced or subzero weather may result in plumbing freeze-ups. Evan obtained two bids and recommends accepting the lower one ($21,576) from OJS Building Services. He also searched on line and the pricing he found for the same equipment was higher. Tom moved that the OJS proposal be accepted, Jinny seconded, and the motion was approved unanimously.

C. Staff Handbook. Paul explained that the staff handbook has been shortened and updated, e.g., to include payroll and vacation pay policies which the board has previously approved. Suzanne moved that the revised handbook be approved, Jinny seconded, and the motion was approved unanimously.

D. Budget. Kim Richardson explained that the 2014-15 budget has been updated to reflect actual student count and more recent cost information. Tom moved that the revised proposal be approved, Suzanne seconded and the motion was approved unanimously.

E. Claims Paid/Banking Detail. Kim Richardson presented the claims paid/bank detail report for October 16-December 9. Jinny asked about the payment of credit card charges. Paul explained that the card is in his name and is kept at the school to be used only for purchases (with his approval) requiring advance electronic payment rather than invoicing and payment by check. Suzanne moved that the report be approved, Jinny seconded, and the motion was approved unanimously.

F. Financial Statement For November. Kim Richardson presented the November financial statement. There were no material surprises or issues. Jinny moved that the statement be approved, Suzanne seconded, and the motion was approved unanimously.

G. CEO Program. Larry explained he is organizing (and his Foundation is helping to fund) a program known as the CEO (for "Creating Entrepreneurial Opportunities") program, based a model created by a nonprofit organization, Midland Institute for Entrepreneurship based in Effingham, Illinois, and he would like the Career Academy as well as other high schools in St. Joseph County to participate. The program, as outlined on the CEO website, is funded by local businesses, which invite a select group of students (roughly 15-20 students per year, meaning only a few from each school) to meet at their plants or offices to learn not only about particular businesses but the process of starting and running a business. Students are matched with mentors from the business community, and in the second semester, each student creates and operates an independent business. The program is described in detail on the Midland Institute website, http://www.midlandinstitute.com/what-is-ceo. Larry has obtained commitments of support from many local businesses and has recruited a board of leading area businesses executives and education professionals to serve as the board for the CEO program.[1] Larry gave a quick summary of local support for the program and asked that Career Academy be approved to participate. Jinny moved that the Academy go ahead with the program, Tom seconded, and the motion was approved unanimously.

The meeting was adjourned at 7:37 pm.

Charles Loeser, Assistant Secretary

[1] The CEO board, other than Larry, includes: Dave Risner, Jeff Rea, Jim Larkin, Martha Smith, Michael Lindburg, Phil Newbold, Sue Panzica, and Tracy Graham.

Career Academy of South Bend, Inc.
Minutes of Meeting of Board of Directors
January 20, 2015

Directors Present: Vivian Sallie, Larry Davis, Jinny Longbrake, Suzanne Wiwi
By Phone: Larry Garatoni
Absent: Tracy Graham, Thomas Coley
Staff Attending: Paul Schlottman, Chad Addie, Kim Richardson, Charles Loeser, others

After a presentation by fifth grade students ("What it means to be a COBRA"), Vivian Sallie called the meeting to order at 5:45 pm.

A. Minutes of Prior Meeting. Larry Davis moved for approval of the minutes of the prior (December 16) meeting, Suzanne seconded, and the minutes were unanimously approved.

B. Amendment Of Bylaws. Vivian explained that the Corporation's bylaws are out of date in referring to former members and their terms, and that Charles Loeser had prepared a proposed resolution to amend the bylaws (attached as Exhibit A). Larry Davis moved that the proposed resolution be adopted, Jinny seconded, and the motion was unanimously approved.

C. Operations Report. Paul explained the rooftop heater replacement that was authorized at the last meeting has been completed. Teacher evaluations are in process for purposes of determining first semester bonuses. The process, using a modified Rise/Marzano evaluation system, is scheduled to be completed before the next board meeting. The school will begin in February a program ("SHINE") for special education students; notices will be sent to parents explaining details. Paul noted that there have been several snow days already, but with a school calendar providing for 190 days of instruction, there should be no difficulty meeting the state requirement of 180 days. CASB will always close if South Bend Community Schools or Penn Harris Madison schools are closed, and will usually close if either of those systems has a two hour delay. Since CASB students are responsible for their own transportation, CASB will close for some days that SBCSC and PHM schools do not. There is a remote access camera system at the school, allowing Paul to see weather conditions at the school from his home. Parents are notified of school closings via postings on WNDU, WSBT, FOX28, ABC57, the school website, Facebook and the school's Robo Call System "School Reach".

D. Ardmore Building. Vivian explained that the school has negotiated a proposed agreement with the City of South Bend to acquire the St. Vincent de Paul building at 3408 Ardmore Trail, together with a 2-acre vacant lot on its west side, for use as an elementary school and that Charles Loeser had prepared a proposed resolution (attached as Exhibit B) to authorize Larry Garatoni, the Corporation's president, to proceed with the acquisition. Larry Davis, after noting that the draft resolution refers to the Garatoni Family Foundation having offered to provide funding for the acquisition, expressed his appreciation for Larry Garatoni's

generosity, and move that the proposed resolution be adopted. Suzanne seconded, and the motion was unanimously approved.

E. Trine Application. Vivian explained that in order to have Trine University act as the school's authorizer, as has been discussed previously, both Trine and Ball State, the school's current authorizer, require board resolutions confirming the school's choice, and that Charles Loeser had prepared a number of proposed resolutions for that purpose.

1. Attached as Exhibit C and Exhibit D are proposed resolutions to authorize Larry Garatoni, the Corporation's president, to proceed with terminating the school's relationship with Ball State University and obtaining the agreement of Trine University to act as the school's authorizer as soon as possible. Jinny moved that the proposed resolutions be adopted. Larry Davis seconded, and the motions were unanimously approved.

2. Attached as Exhibit E, Exhibit F and Exhibit G are proposed resolutions to adopt financial policies and supplements to the school's student and staff handbooks. Larry Davis moved that the proposed resolutions be adopted. Jinny seconded, and the motions were unanimously approved.

F. National Guard Initiative. Paul introduced Bob Carnagey, who is the Employment Specialist for northern Indiana for the Indiana National Guard Employment Engagement Team, responsible for assisting National Guard veterans seeking civilian careers. Paul explained he met Bob as a result of CASB's participation in a "Fallen Heroes" march, and that Bob is interested in creating a program for veterans to receive vocational training using CASB's facility. This could be done in a way that would not conflict with the schedules of CASB students. There would be funding available through the GI Bill. Welding and IT training would probably be the initial offerings. Bob explained that there are 14,000 National Guardsmen in Indiana, which makes Indiana fifth among the states in the number of veterans, and that Indiana has the highest rate of unemployment among veterans among the fifty states. Bob said he and Paul will discuss possible arrangements but he looks forward to establishing a working relationship. Paul said he would come back to the board with a detailed proposal at a future meeting.

G. Financial Reports. Kim Richardson presented the claims paid/bank detail report for December 10-January 15 and the December financial statement. She explained the financial statement shows income far over budget because during December $1,000,000 in debt owed to the Garatoni Family Foundation was converted to a donation. Larry Davis moved that the claims report and financial statement be approved, Suzanne seconded, and the motion was approved unanimously.

H. Five Year Financial Plan. Kim presented a five-year financial projection, explaining that the Trine application requires it. The projections are based on the forecasted enrollment utilized in the breakeven analysis previously presented to the board, and includes beginning in 2015-16 the $1,500 per student annual capital expenditure payment proposed by Governor Pence, which is considered highly likely to be approved by the legislature. Jinny

moved that the plan be approved, Larry Davis seconded, and the motion was approved unanimously.

I. Article On Relevance In Education. Vivian distributed an article from the January 20 South Bend Tribune about black students speaking out at a Martin Luther King meeting on Monday (January 19) about the need for education, especially high school, to be relevant to students' lives.[1] The story, by Kim Kilbride, is excellent and confirms the principle on which CASB was founded: "education for life" is what students want and need.

The meeting was adjourned at 6:35 pm.

Charles Loeser, Assistant Secretary

[1] Link to article: http://www.southbendtribune.com/news/education/black-students-want-more-relevant-coursework/article_018937d1-3c09-53db-9685-efc05ef6be30.html.

EXHIBIT A TO MINUTES OF JANUARY 20, 2015 BOARD MEETING
RESOLUTION OF THE BOARD OF DIRECTORS
CAREER ACADEMY OF SOUTH BEND, INC.
AMENDMENT OF BYLAWS

Whereas, the Corporation's bylaws (at Article II, Section 1, second paragraph) specify the duration of the term for each of the directors of the Corporation, with three year terms expiring in successive months (by alphabetical order of the original directors); and

Whereas, due to the replacement of several directors, such provision of the bylaws is now out of date;

NOW, THEREFORE, it is RESOLVED that Article II, Section 1, second paragraph, of the Bylaws is modified to provide (new text in italics):

> Members of the Board of Directors will serve a term of roughly three years, with the term of each director *as re-elected at the end of the original term, or a new director who is elected to replace a retiring director* to end as of a different month so that during the month of the expiration of the term of a director, the other members of the board, as active directors, may re-elect such person to an additional term as a member of the Board, or elect a new member. *The terms of each member shall expire at the end of the month of the third anniversary of the date of such re-election or appointment. The current board as of December, 2014 consists of:*
>
> - *Lawrence Garatoni (term extends to January 31, 2017);*
> - *Tracy Graham (term extended to February 28, 2017);*
> - *Jinny Longbrake (replacing Bruce Greenberg, who resigned)(term extends to March 31, 2017);*
> - *Vivian Sallie (term extends to April 30, 2017);*
> - *Thomas Coley (replacing Rob Staley, who resigned)(term extends to May 31, 2017);*
> - *Larry Davis (replacing James Summers, who resigned)(term extends to June 30, 2017);*
> - *Suzanne Wiwi (term extends to July 31, 2017).*

EXHIBIT B TO MINUTES OF JANUARY 20, 2015 BOARD MEETING
CERTIFICATION OF RESOLUTION OF THE BOARD OF DIRECTORS
CAREER ACADEMY OF SOUTH BEND, INC.
ACQUISITION OF NEW BUILDING

Whereas, the Corporation wishes to expand its operations to include kindergarten through Grade 4 and to increase its enrollment in Grades 5-12, for which purpose it is necessary to obtain additional space beyond the limits of the Corporation's current building;

Whereas, the Corporation has reached a tentative agreement with the City of South Bend Department of Redevelopment (the "City") concerning the building and associated land located at 3408 Ardmore Trail, South Bend, commonly known as the St. Vincent DePaul Building as set forth in the draft purchase agreement attached hereto ("the Proposed Agreement");

Whereas, the Garatoni Family Foundation ("Foundation"), through its trustee, Lawrence Garatoni (CASB President/Treasurer and Director), has agreed to provide the necessary funds to the Corporation for the acquisition and remodeling of the St. Vincent DePaul Building for use as a school;

NOW, THEREFORE, it is RESOLVED that the Corporation is authorized to enter into the Proposed Agreement (subject to any modifications required by the City and deemed acceptable by the Corporation's President) and proceed with the acquisition and remodeling of the building.

EXHIBIT C TO MINUTES OF JANUARY 20, 2015 BOARD MEETING
RESOLUTION OF THE BOARD OF DIRECTORS
CAREER ACADEMY OF SOUTH BEND, INC.
TERMINATION OF BSU AGREEMENT

Whereas, the Corporation's agreement with Ball State University ("BSU") as "authorizer" as defined by Indiana law (Indiana Code § 20-24-1-2.5)("Charter Agreement") extends until June 30, 2016, subject to the right of the Corporation to terminate as of the end of any school year;

Whereas, for the Corporation to pursue its plan to divide its current 5-12 operations into a separate high school and middle school, as well as its plan to expand to operation of grades 1-4 and kindergarten, would require an amendment of the Charter Agreement, which BSU has advised it is reluctant to amend;

Whereas, Trine University (through Education One, LLC) has advised it would be willing to act as the Corporation's authorizer, and approves of the Corporation's expansion plans;

Whereas, pursuant to instructions from Trine, the School has submitted a request for change of authorizer, and supporting documents, but for Trine to become the Corporation's authorizer requires termination of the BSU Charter Agreement;

Whereas, in order for the Corporation to terminate the BSU Charter Agreement, BSU has advised that a board resolution for such purpose should be submitted:

NOW, THEREFORE, it is RESOLVED that the President of the Corporation is authorized to submit the attached letter to BSU and to take all action necessary to terminate the Corporation's Charter Agreement with BSU as of the end of the current school year (June 30, 2015)(or earlier, if acceptable to BSU), provided that prior to the date of such termination, Trine shall have agreed to act as the Corporation's authorizer.

EXHIBIT D TO MINUTES OF JANUARY 20, 2015 BOARD MEETING
RESOLUTION OF THE BOARD OF DIRECTORS
CAREER ACADEMY OF SOUTH BEND, INC.
REQUEST FOR CHANGE OF AUTHORIZER

This document evidences action at a meeting of the Board of Directors ("Board") of Career Academy of South Bend, Inc. (the "Corporation") on January 20, 2015.

Whereas, the Corporation's agreement with Ball State University ("BSU") as "authorizer" as defined by Indiana law (Indiana Code § 20-24-1-2.5)("Charter Agreement") extends until June 30, 2016, subject to the right of the Corporation to terminate as of the end of any school year;

Whereas, for the Corporation to pursue its plan to divide its current 5-12 operations into a separate high school and middle school, as well as its plan to expand to operation of grades 1-4 and kindergarten, would require an amendment of the Charter Agreement, which BSU has advised it is reluctant to amend;

Whereas, Trine University (through Education One, LLC) has advised it would be willing to act as the Corporation's authorizer, and approves of the Corporation's expansion plans, subject to receipt of certain documents as to the Corporation's current and future operations;

NOW, THEREFORE, it is RESOLVED that the President of the Corporation is authorized to take all action necessary to obtain the agreement of Trine University to become the Corporation's authorizer at the earliest feasible date.

EXHIBIT E TO MINUTES OF JANUARY 20, 2015 BOARD MEETING
RESOLUTION OF THE BOARD OF DIRECTORS
CAREER ACADEMY OF SOUTH BEND, INC.
FINANCIAL POLICIES

This document evidences action at a meeting of the Board of Directors ("Board") of Career Academy of South Bend, Inc. (the "Corporation") on January 20, 2015.

Whereas, the Corporation is requesting Trine University (through Education One, LLC) to agree to become the Corporation's authorizer" as defined by Indiana law (Indiana Code § 20-24-1-2.5);

Whereas, Trine has requested, for purposes of considering such request, that the Corporation commit to certain policies in writing as adopted by board resolution and/or incorporated into Corporation staff or family/student handbooks;

NOW, THEREFORE, it is RESOLVED that the Corporation adopts financial policies as attached hereto.

EXHIBIT F TO MINUTES OF JANUARY 20, 2015 BOARD MEETING
RESOLUTION OF THE BOARD OF DIRECTORS
CAREER ACADEMY OF SOUTH BEND, INC.
STUDENT POLICIES

This document evidences action at a meeting of the Board of Directors ("Board") of Career Academy of South Bend, Inc. (the "Corporation") on January 20, 2015.

Whereas, the Corporation is requesting Trine University (through Education One, LLC) to agree to become the Corporation's "authorizer" as defined by Indiana law (Indiana Code § 20-24-1-2.5);

Whereas, Trine has requested, for purposes of considering such request, that the Corporation commit to certain policies in writing to be incorporated in the Corporation's family/student handbook;

NOW, THEREFORE, it is RESOLVED that the Corporation adopts a supplement to its student handbook as attached hereto.

EXHIBIT G TO MINUTES OF JANUARY 20, 2015 BOARD MEETING
RESOLUTION OF THE BOARD OF DIRECTORS
CAREER ACADEMY OF SOUTH BEND, INC.
STAFF POLICIES

This document evidences action at a meeting of the Board of Directors ("Board") of Career Academy of South Bend, Inc. (the "Corporation") on January 20, 2015.

Whereas, the Corporation is requesting Trine University (through Education One, LLC) to agree to become the Corporation's "authorizer" as defined by Indiana law (Indiana Code § 20-24-1-2.5);

Whereas, Trine has requested, for purposes of considering such request, that the Corporation commit to certain policies in writing to be incorporated in the Corporation's family/student handbook;

NOW, THEREFORE, it is RESOLVED that the Corporation adopts a supplement to its staff handbook as attached hereto.

Career Academy of South Bend Change of Authorizer Application to Education One, LLC (Trine University)

Attachment 3: Resume of Head of School/Principal

Attached is the resume of Paul Schlottman.

PAUL SCHLOTTMAN, Ed. S.

1504 Del Vista • Valparaiso, Indiana 46385 • Home (219) 465-0077 • Cell (219) 263-3458
pmschlottman@comcast.net

PROFESSIONAL OBJECTIVE

To serve as an educational leader who exemplifies character, integrity, effective practice and transformational decision-making. I will foster an inclusive attitude that respects the diversity of our community. I will ensure effective teaching, a guaranteed curriculum, efficient monitoring and capable leadership so all students will achieve their fullest potential and become responsible citizens.

EDUCATION and CERTIFICATION

Oakland University Rochester, Michigan 2004 - 2006
Education Specialist Degree K-12 Educational Administration

Wayne State University Detroit, Michigan 1998 - 2001
Master of Education Degree Educational Leadership

Western Michigan University Kalamazoo, MI 1984 - 1988
Bachelor of Science Secondary Education

Indiana Licenses

License Number: 10027344	SPN No: 10251642	Highest Degree Earned: Specialist	
Superintendent	Basis: REPA	Grades: Pre-K to 12	Expires: 2/3/2017
Director of Curriculum and Instruction	Basis: REPA	Grades: Pre-K to 12	Expires: 2/3/2017
Building Level Administrator	Basis: 2002	Grades: Pre-K to 12	Expires: 6/28/2020

Michigan License
Administrative Certificate Post-Masters Certificate Oakland University Certificate: CC-XUT670284320

PROFESSIONAL EMPLOYMENT

Principal, Boone Grove Middle School **2006 – Present**
Porter Township School Corporation Boone Grove, Indiana (school enrollment: 425)

- Consistently earned exemplary progress with annual improvement rates up to 5.8% - "A" rating
- Completed two AdvancEd Quality Assurance Reviews and Accreditation with no required actions
- Assisted in the development and implementation of IDOE approved Online instructional days
- Developed nationally recognized Challenge Day, Student Council and Principal's Council
- Assisted in the development of our 1-to-1 instructional technology plan
- Dramatically improved school climate, culture, diversity acceptance and empathy toward others
- Created a student-centered professional learning community (DeFour)
- Trained staff to use action research and data to make instructional and curricular decisions
- Created transformational leadership team to promote transparent and shared decision-making
- Decreased discipline referrals 53% with staff development Positive Discipline (Nelson) and PBIS
- Implemented comprehensive academic remediation and RTI intervention programs
- Implemented new instructional strategies: 6+1 Writing Traits (Culham), and Working on the Work (Schlecty), Differentiated Instruction (Allen, Tomlinson), Understanding by Design (Wiggins, McTighe), and Thinking Maps, Career Exploration and Service Learning
- Assessments: NWEA, ACT Engage, Acuity, in depth ISTEP data analysis and A+ Learning Link
- Developed scope and sequence curriculum and instruction strategies to ensure a guaranteed curriculum mastery of academic standards by all students

Assistant Principal, Lake Shore High School **2003 – 2006**
Lake Shore Public Schools St. Clair Shores, MI (urban suburb of Detroit) (student enrollment: 1147)

- Directed all Career and Technical Education programs, budgets and transportation
- Successfully completed two Federal Perkins Career Technical grants and audits
- Developed dual enrollment, virtual high school, distance learning, off campus programs
- Developed university articulation agreements, business partnerships and community outreach
- South East Macomb Career Tech Consortium representative (class scheduling, regional coordination, student transportation, and south-county liaison)
- Developed Michigan Model High School Reform Plan and 8th - 9th grade transitions
- Developed and implemented district community service and service learning programs
- Initiated development of International Baccalaureate and Advance Placement curriculum
- Attendance and pupil accounting (increased daily attendance by 6% to over 97% average daily)
- Founded transformational leadership group to promote transparent and shared decision-making
- Implemented Thematically Integrated Instructional Curriculum to increase student engagement
- Action research: attendance, school climate, student engagement, and professional development
- Assessed and implemented school climate surveys and improvement strategies
- Coordinated staff development and evaluations (evaluated 60% of total staff)
- Student discipline, school safety and school security (decreased disciplinary referrals by 22%)
- Developed instructional curriculum and scheduling in all curricular areas
- Supervised state testing and increased participation from 88% to 99% always making AYP
- Organized and chaired committees: Student Code of Conduct, Enrollment and Accountability, Community Service, Service Learning, Staff and Public Relations, and School Improvement

---

K-12 Visual and Performing Arts Coordinator **1995 – 2003**
Ferndale Public Schools Ferndale, MI (urban suburb of Detroit) (student enrollment: 4000)

- Developed one of the finest and most comprehensive fine arts programs in the Mid-West
- Managed budgets, inventories, capital projects and RFPs and negotiated vendor contracts
- Assessed, developed and implemented curriculum for all Arts areas
- Developed and implemented K-12 Master Schedules for all schools
- Administrated department of twenty-one visual, performing and dramatic arts teachers
- Founder - Arts Across the Curriculum Program integrating arts with academic disciplines
- Co-authored and administered several funded grants
- Posted, screened, interviewed, negotiated, and recommended for hire fourteen teachers
- Developed staff development and school improvement plans and evaluations
- Administered monthly department meetings and professional development in-services
- District committees: Ferndale Arts Council, Bond, Facility Design and Implementation, Ferndale Education Association, Program Development, Restructuring, Student and Staff Advisory

---

Director of Bands **1991 – 2003**
Ferndale Public Schools Ferndale, MI (student enrollment: 4000)

- Increased and maintained student participation up to 66% of total student population
- Coordinated budgets, accounts, purchasing, fundraising, grant writing and capital purchases
- Earned consistent superior ratings at State. and District M.S.B.O.A Band Festivals
- Directed six performing ensembles: competitive concert bands, jazz bands and marching bands

PAUL SCHLOTTMAN, Ed. S.

1504 Del Vista • Valparaiso, Indiana 46385 • Home (219) 465-0077 • Cell (219) 263-3458
pmschlottman@comcast.net

PROFESSIONAL OBJECTIVE

To serve as an educational leader who exemplifies character, integrity, effective practice and transformational decision-making. I will foster an inclusive attitude that respects the diversity of our community. I will ensure effective teaching, a guaranteed curriculum, efficient monitoring and capable leadership so all students will achieve their fullest potential and become responsible citizens.

EDUCATION and CERTIFICATION

Oakland University	Rochester, Michigan	2004 - 2006
Education Specialist Degree	K-12 Educational Administration	
Wayne State University	Detroit, Michigan	1998 - 2001
Master of Education Degree	Educational Leadership	
Western Michigan University	Kalamazoo, MI	1984 - 1988
Bachelor of Science	Secondary Education	

Indiana Licenses

License Number: 10027344 SPN No: 10251642 Highest Degree Earned: Specialist

Superintendent	Basis: REPA	Grades: Pre-K to 12	Expires: 2/3/2017
Director of Curriculum and Instruction	Basis: REPA	Grades: Pre-K to 12	Expires: 2/3/2017
Building Level Administrator	Basis: 2002	Grades: Pre-K to 12	Expires: 6/28/2020

Michigan License

Administrative Certificate Post-Masters Certificate Oakland University Certificate: CC-XUT670284320

PROFESSIONAL EMPLOYMENT

Principal, Boone Grove Middle School **2006 – Present**
Porter Township School Corporation Boone Grove, Indiana (school enrollment: 425)

- Consistently earned exemplary progress with annual improvement rates up to 5.8% - "A" rating
- Completed two AdvancEd Quality Assurance Reviews and Accreditation with no required actions
- Assisted in the development and implementation of IDOE approved Online instructional days
- Developed nationally recognized Challenge Day, Student Council and Principal's Council
- Assisted in the development of our 1-to-1 instructional technology plan
- Dramatically improved school climate, culture, diversity acceptance and empathy toward others
- Created a student-centered professional learning community (DeFour)
- Trained staff to use action research and data to make instructional and curricular decisions
- Created transformational leadership team to promote transparent and shared decision-making
- Decreased discipline referrals 53% with staff development Positive Discipline (Nelson) and PBIS
- Implemented comprehensive academic remediation and RTI intervention programs
- Implemented new instructional strategies: 6+1 Writing Traits (Culham), and Working on the Work (Schlecty), Differentiated Instruction (Allen, Tomlinson), Understanding by Design (Wiggins, McTighe), and Thinking Maps, Career Exploration and Service Learning
- Assessments: NWEA, ACT Engage, Acuity, in depth ISTEP data analysis and A+ Learning Link
- Developed scope and sequence curriculum and instruction strategies to ensure a guaranteed curriculum mastery of academic standards by all students

SPECIALIZED TRAINING AND EXPERIENCE

2013	Indiana School Safety Academy and National Incident Management Certification	
2012	Indiana RISE Teacher Evaluation Training	Union Township, IN
2012	Indiana Legislative and Lobbyist Training	Indianapolis, IN
2012	ACT Engage Assessment Training	Boone Grove, IN
2011, 2006	AdvanEd (NCA) Quality Assurance Review	Boone Grove, IN
2011	AdvancEd Preparing for your QAR Training	Middleberry, IN
2011	CPI School Safety, De-escalation and Restraint Training	Valparaiso, IN
2011	Leadership Northwest Indiana Education Reform Panelist	Valparaiso, IN
2010	Indiana Aspiring Superintendent Seminar	Indianapolis, IN
2009-2011	Response to Intervention (RTI) Training	Hammond, IN
2008	Assoc. for Supervision and Curriculum Dvlp. Nat'l Conference	New Orleans, LA
2006 Presenter - Model High School Reform	Michigan Assoc. of Sec. School Principals -Conference	
2006 Presenter - Model High School Reform	Michigan Acad. of Sciences, Arts and Letters - Conference	
2005-2006	Macomb Intermediate School District (MISD) High School Reform Steering Committee	
2005-2006	Royal Oak Curriculum Advisory Committee	Royal Oak, MI
2005-2006	Michigan Community Service and Service Learning Program	Macomb Inter. School Dist.
2005	United States Secret Service School Safety Training	Macomb Inter. School Dist.
2005	Creating Small Learning Communities Training (DeFour)	Macomb Inter. School Dist.
2005	Restorative Practices with Positive Discipline Training	Oakland Schools
2005	Disciplining Students with Disabilities Legal Training	Macomb Inter. School Dist.
2005	Redefining Michigan's High School: Beginning the Process	MDOE, Lansing, MI
2005	MDOE Focus Panel – Teacher Certification Standards	MDOE, Lansing, MI
2005	Rethinking Michigan's High Schools – Willard Daggett	Macomb Inter. School Dist
2004	MDOE Teacher Certification Administrative Advisory Committee	Lansing, MI
2004-2006	Best Practice Master Scheduling Training – Pearson	Macomb Inter. School Dist.
2004-2006	Career Development and Career Academies Develop. Training	Macomb Inter. School Dist.
2004-2006	Pupil Accounting Training	Macomb Inter. School Dist.
2004-2006	Career Cruising Training	Macomb Inter. School Dist.
2004	Career Technical Education Federal Program Audit	Macomb Inter. School Dist.
2002-2006	School Bully-Proofing Training	Ferndale, MI
2001	Author - Michigan Academic Standards - MI CLIMB	MDOE, Lansing, MI
1997-2000	President of Oakland Schools Arts Council	Oakland Schools
1998-2001	Students in the Middle Conferences	MDOE, Lansing, MI
1998-2000	Multiple Intelligence Training by Dr. Howard Gardner	Detroit, MI
2000	Differentiated Instruction Training	Ferndale, MI

PROFESSIONAL MEMBERSHIPS

2012 – Present	Indiana School Safety Academy and National Incident Management Certification(NIMS)
2013 – Present	Board of Directors – Porter County Youth Service Bureau
2012 – Present	Board of Directors – Positive Approach to Teen Health - PATH
2012 – Present	Leadership Northwest Indiana – Class 31 frequent guest and Lake Shore News speaker
2006 – Present	National Assoc. of School Principals and Indiana Association of School Principals
2006 – Present	Valparaiso University Professional Educators Partnership
2003 – 2006	Michigan Association of Secondary School Principals
1998 – Present	Association for Supervision and Curriculum Development

PROFESSIONAL REFERENCES

Mr. Keith Kirkpatrick
Executive Director
Leadership Northwest Indiana
410 E. Lincolnway
Valparaiso, Indiana 46383
(219) 531-0156
keith@leadershipnwi.org

Home:
506 Franklin St.
Valparaiso, IN 46383-4251
Home: (219) 464-0441
Cell: (219) 241-4012
k506@comcast.net

Mr. Chadwick Addie
Middle School Education Manager
South Bend Career Academy
3801 Crescent Circle
South Bend, IN 46628
(574) 299-9800
caddie@sbcain.org

Home:
4238 West Johnson Road
LaPorte, IN 46350
Home: (219) 324-9235
Cell: (219) 393-4609

Mr. Tom Hines
Assistant Principal (retired)
Thomas Jefferson Middle School
Valparaiso Community Schools
Porter Township School Corporation
Expulsion Hearing Officer

Home:
325 Village Square
Chesterton, IN 46304
Home: (219) 787-8786 Cell: (219) 405-2817

Mrs. Paula Keller
Teacher (Retired)
Boone Grove Middle School

Home:
278 S 300 W
Valparaiso, IN 46385
(219) 476-1853

Mrs. Carol Schultz
Teacher (Retired)
Boone Grove Middle School

Home:
1750 Byfield Parkway
Valparaiso, IN 46385
Home: (219) 462-2264

Mrs. Betty Sands
Principal (Retired)
Lake Shore High School

bgsands@comcast.net

Home:
21258 Lilac Lane
Clinton Twp, MI 48037
Home: (586)231-0412
Cell: (586)854-4566

Mr. Chad Roggow
Teacher
Boone Grove Middle School
325 W. 550 S.
Boone Grove, IN 46302
(219)464-4828
chad.roggow@ptsc.k12.in.us

Home:
2606 Estero Pkwy
Valparaiso, IN 46383
Cell: (219)252-0315

SPECIALIZED TRAINING AND EXPERIENCE

2013	Indiana School Safety Academy and National Incident Management Certification	
2012	Indiana RISE Teacher Evaluation Training	Union Township, IN
2012	Indiana Legislative and Lobbyist Training	Indianapolis, IN
2012	ACT Engage Assessment Training	Boone Grove, IN
2011, 2006	AdvanEd (NCA) Quality Assurance Review	Boone Grove, IN
2011	AdvancEd Preparing for your QAR Training	Middleberry, IN
2011	CPI School Safety, De-escalation and Restraint Training	Valparaiso, IN
2011	Leadership Northwest Indiana Education Reform Panelist	Valparaiso, IN
2010	Indiana Aspiring Superintendent Seminar	Indianapolis, IN
2009-2011	Response to Intervention (RTI) Training	Hammond, IN
2008	Assoc. for Supervision and Curriculum Dvlp. Nat'l Conference	New Orleans, LA
2006 Presenter - Model High School Reform	Michigan Assoc. of Sec. School Principals –Conference	
2006 Presenter - Model High School Reform	Michigan Acad. of Sciences, Arts and Letters - Conference	
2005-2006	Macomb Intermediate School District (MISD) High School Reform Steering Committee	
2005-2006	Royal Oak Curriculum Advisory Committee	Royal Oak, MI
2005-2006	Michigan Community Service and Service Learning Program	Macomb Inter. School Dist.
2005	United States Secret Service School Safety Training	Macomb Inter. School Dist.
2005	Creating Small Learning Communities Training (DeFour)	Macomb Inter. School Dist.
2005	Restorative Practices with Positive Discipline Training	Oakland Schools
2005	Disciplining Students with Disabilities Legal Training	Macomb Inter. School Dist.
2005	Redefining Michigan's High School: Beginning the Process	MDOE, Lansing, MI
2005	MDOE Focus Panel – Teacher Certification Standards	MDOE, Lansing, MI
2005	Rethinking Michigan's High Schools – Willard Daggett	Macomb Inter. School Dist
2004	MDOE Teacher Certification Administrative Advisory Committee	Lansing, MI
2004-2006	Best Practice Master Scheduling Training – Pearson	Macomb Inter. School Dist.
2004-2006	Career Development and Career Academies Develop. Training	Macomb Inter. School Dist.
2004-2006	Pupil Accounting Training	Macomb Inter. School Dist.
2004-2006	Career Cruising Training	Macomb Inter. School Dist.
2004	Career Technical Education Federal Program Audit	Macomb Inter. School Dist.
2002-2006	School Bully-Proofing Training	Ferndale, MI
2001	Author - Michigan Academic Standards - MI CLIMB	MDOE, Lansing, MI
1997-2000	President of Oakland Schools Arts Council	Oakland Schools
1998-2001	Students in the Middle Conferences	MDOE, Lansing, MI
1998-2000	Multiple Intelligence Training by Dr. Howard Gardner	Detroit, MI
2000	Differentiated Instruction Training	Ferndale, MI

PROFESSIONAL MEMBERSHIPS

2012 – Present	Indiana School Safety Academy and National Incident Management Certification(NIMS)
2013 – Present	Board of Directors – Porter County Youth Service Bureau
2012 – Present	Board of Directors – Positive Approach to Teen Health - PATH
2012 – Present	Leadership Northwest Indiana – Class 31 frequent guest and Lake Shore News speaker
2006 – Present	National Assoc. of School Principals and Indiana Association of School Principals
2006 – Present	Valparaiso University Professional Educators Partnership
2003 – 2006	Michigan Association of Secondary School Principals
1998 – Present	Association for Supervision and Curriculum Development

Career Academy of South Bend Change of Authorizer Application to Education One, LLC (Trine University)

Attachment 4: Governance Documents

Attached are:

501(c)(3) Letter of Determination from the Internal Revenue Service

Articles of Incorporation (original July 2010 and amendments May & September 2011)

Bylaws

Conflicts of Interest/Code of Ethics Policies: see Article V of Bylaws

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUN 13 2011

CAREER ACADEMY OF SOUTH BEND INC
4100 EDISON LAKES PARKWAY STE 260
MISHAWAKA, IN 46545

Employer Identification Number:
27-3113436
DLN:
17053344308010
Contact Person:
GERALD HOLLAND ID# 95031
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(ii)
Form 990 Required:
Yes
Effective Date of Exemption:
February 28, 2011
Contribution Deductibility:
Yes
Addendum Applies:
Yes

Dear Applicant:

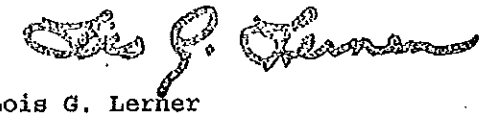
We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,



Lois G. Lerner
Director, Exempt Organizations

Enclosure: Publication 4221-PC

State of Indiana
Office of the Secretary of State

CERTIFICATE OF INCORPORATION

of

CAREER ACADEMY OF SOUTH BEND, INC.

I, Todd Rokita, Secretary of State of Indiana, hereby certify that Articles of Incorporation of the above Non-Profit Domestic Corporation have been presented to me at my office, accompanied by the fees prescribed by law and that the documentation presented confirms to law as prescribed by the provisions of the Indiana Nonprofit Corporation Act of 1991.

NOW, THEREFORE, with this document I certify that said transaction will become effective Wednesday, July 14, 2010.

In Witness Whereof, I have caused to be affixed my signature and the seal of the State of Indiana, at the City of Indianapolis, July 14, 2010

Todd Rokita

TODD ROKITA,
SECRETARY OF STATE

20100714000304 / 20100714112822

RECEIVED 07/14/2010 11:33 AM

APPROVED AND FILED
TODD ROKITA
INDIANA SECRETARY OF STATE
7/14/2010 11:34 AM

ARTICLES OF INCORPORATION

Formed pursuant to the provisions of the Indiana Nonprofit Corporation Act of 1991.

ARTICLE I – NAME AND PRINCIPAL OFFICE

CAREER ACADEMY OF SOUTH BEND, INC.
3605 Gagnon Drive, South Bend, IN 46628

ARTICLE II – REGISTERED OFFICE AND AGENT

Steven Hartz
3605 Gagnon Drive, South Bend, IN 46628

ARTICLE III – INCORPORATORS

Steven Hartz
3605 Gagnon Drive, South Bend, IN 46628
Signature: Steven Hartz

ARTICLE IV – GENERAL INFORMATION

Effective Date: 7/14/2010
Type of Corporation: Public Benefit Corporation
Does the corporation have members?: No

The purposes/nature of business
public charter school

Distribution of assets on dissolution or final liquidation
to another public charter school, balance to another non-profit educational entity

State of Indiana
Office of the Secretary of State

CERTIFICATE OF AMENDMENT

of

CAREER ACADEMY OF SOUTH BEND, INC.

I, CHARLES P. WHITE, Secretary of State of Indiana, hereby certify that Articles of Amendment of the above Non-Profit Domestic Corporation have been presented to me at my office, accompanied by the fees prescribed by law and that the documentation presented conforms to law as prescribed by the provisions of the Indiana Nonprofit Corporation Act of 1991.

NOW, THEREFORE, with this document I certify that said transaction will become effective Friday, May 27, 2011.

In Witness Whereof, I have caused to be affixed my signature and the seal of the State of Indiana, at the City of Indianapolis, May 27, 2011.

Charles P. White

CHARLES P. WHITE,
SECRETARY OF STATE

20100714003O4 / 20110531028l6

ARTICLES OF AMENDMENT TO THE ARTICLES OF INCORPORATION (NONPROFIT)

State Form 4161 (R10 / 1-03) / Corporate Form No. 364-2 (May 1988)
Approved by State Board of Accounts 1995

11 MAY 27 PM 4:

TODD ROKITA
SECRETARY OF STATE
CORPORATIONS DIVISION
302 W. Washington St., Rm. E018
Indianapolis, IN 46204
Telephone: (317) 232-6576

Indiana Code 23-17-17-1 *et seq.*
FILING FEE: $30.00

INSTRUCTIONS: *Use 8 1/2" x 11" white paper for attachments.*
Present original and one copy to address in upper right corner of this form.
Please TYPE or PRINT.
Please visit our office on the web at www.sos.in.gov.

ARTICLES OF AMENDMENT TO THE ARTICLES OF INCORPORATION

The undersigned officer of the Nonprofit Corporation named in Article I below (*hereinafter referred to as the "Corporation"*) desiring to give notice of corporate action effectuating Amendment(s) to the Articles of Incorporation, certifies the following facts:

This Corporation exists pursuant to: *(check appropriate box)*

- ☐ The Indiana Not-For-Profit Corporation Act of 1971 (IC 23-7-1.1) as amended.
- ☐ Indiana General Not-For-Profit Corporation Act (*approved March 7, 1935*)
- ☒ Indiana Nonprofit Corporation Act of 1991 (IC 23-17-1) as amended

APPROVED AND FILED
Charles P. White
IND. SECRETARY OF STATE

ARTICLE I - Amendment(s)

SECTION 1: The name of the Corporation is:
Career Academy of South Bend, Inc.

SECTION 2: The date of incorporation of the Corporation is:
July 14, 2010

SECTION 3: The name of the Corporation following this amendment to the Articles of Incorporation is:
Career Academy of South Bend, Inc.

SECTION 4

The exact text of Article(s) II and IV of the Articles of Incorporation is now as follows.

Article II: Registered Office and Agent: Charles M. Loeser, 4100 Edison Lakes Parkway, Suite 260, Mishawaka, IN 46545

Article IV: The purposes/nature of business:
(a) The purpose is to operate a charter school to be known as South Bend Career Academy, exclusively for charitable and educational purposes in accordance with Section 501c3 of the Internal Revenue Code or corresponding section of any future federal tax code.
(b) No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its educational/charitable purposes. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on by (a) an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.
(c) Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

SECTION 5

The date of adoption of the amendment to the Article(s) II and IV was May ~~25~~ 26, 20 11

ARTICLE II - MANNER OF ADOPTION AND VOTE

SECTION 1: Action by Board of Directors

The Board of Directors duly adopted a resolution proposing to amend the Article(s) of Incorporation: (*select one*)

☐ At a meeting held on _____, 20 11, at which a quorum of such Board was present.

☑ By written consent executed on May 26, 20 11, and signed by all members of such Board.

SECTION 2: Action by members

IF APPROVAL OF MEMBERS WAS NOT REQUIRED:

The Amendment(s) were approved by a sufficient vote of the Board of Directors or Incorporators and approval of members was not required.

☑ Yes ☐ No

The Amendment(s) were approved by a person other than the members, and that approval pursuant to Indiana Code 23-17-17-1 was obtained.

☐ Yes ☐ No

IF APPROVAL OF MEMBERS WAS REQUIRED:	TOTAL	MEMBERS OR DELEGATES ENTITLED TO VOTE AS A CLASS		
		1	2	3
MEMBERS OR DELEGATES ENTITLED TO VOTE				
MEMBERS OR DELEGATES VOTED IN FAVOR				
MEMBERS OR DELEGATES VOTED AGAINST				

☐ The manner of the adoption of the Articles of Amendment and the vote by which they were adopted constitute full legal compliance with the provisions of the Act, the Articles of Incorporation, and the By-Laws of the Corporation.

I hereby verify, subject to penalties of perjury, that the facts contained herein are true.

Signature of current Officer	Printed name of Officer
Charles M. Loeser	Charles M. Loeser

Title of Officer

Assistant Secretary

State of Indiana
Office of the Secretary of State

CERTIFICATE OF AMENDMENT

of

CAREER ACADEMY OF SOUTH BEND, INC.

I, CHARLES P. WHITE, Secretary of State of Indiana, hereby certify that Articles of Amendment of the above Non-Profit Domestic Corporation have been presented to me at my office, accompanied by the fees prescribed by law and that the documentation presented conforms to law as prescribed by the provisions of the Indiana Nonprofit Corporation Act of 1991.

NOW, THEREFORE, with this document I certify that said transaction will become effective Thursday, September 22, 2011.

In Witness Whereof, I have caused to be affixed my signature and the seal of the State of Indiana, at the City of Indianapolis, September 22, 2011.

Charles P. White

CHARLES P. WHITE,
SECRETARY OF STATE

20100714003O4 / 2011092234071

ARTICLES OF AMENDMENT TO THE ARTICLES OF INCORPORATION (NONPROFIT)
State Form 4161 (R11 12-11) / Corporate Form No. 364-2 (May 1088)
Approved by State Board of Accounts 1095

APPROVED AND FILED
Charles P. White
IND. SECRETARY OF STATE

CHARLES P. WHITE
SECRETARY OF STATE
CORPORATIONS DIVISION
302 W. Washington St., Rm. E018
Indianapolis, IN 46204
Telephone: (317) 232-6576

INSTRUCTIONS: Use 8 1/2" x 11" white paper for attachments.
Present original and one copy to address in upper right corner of this form.
Please TYPE or PRINT
Please visit our office on the web at www.sos.in.gov

Indiana Code 23-17-17-1 *et seq.*
FILING FEE: $30.00

The undersigned officer of the Nonprofit Corporation named in Article I below *(hereinafter referred to as the 'Corporation')* desiring to give notice of corporate action effectuating Amendment(s) to the Articles of Incorporation, certifies the following facts:

This Corporation exists pursuant to: *(check appropriate box)*

- ☐ The Indiana Not-For-Profit Corporation Act of 1971 (IC 23-7-1.1) as amended.
- ☐ Indiana General Not-For-Profit Corporation Act *(approved March 7, 1935)*
- ☐ Indiana Nonprofit Corporation Act of 1991 (IC 23-17-1) as amended

RECEIVED
IND. SECRETARY OF STATE
SEP 22 2011
Charles P. White

ARTICLE I AMENDMENT(S)

SECTION 1: The name of the Corporation is:

Career Academy of South Bend, Inc.

SECTION 2: The date of incorporation of the Corporation is *(month, day, year)*:

July 14, 2010

SECTION 3: The name of the Corporation following this amendment to the Articles of Incorporation is:

Career Academy of South Bend, Inc.

SECTION 4

The exact text of Article(s) IV, V and VI of the Articles of Incorporation is now as follows.

Article IV – Purpose And Powers

Secton 4.1: Purpose.

(a) The Corporation's purpose is to operate a charter school to be known as South Bend Career Academy (the "School"), exclusively for charitable and educational purposes in accordance with Section 501(c)(3) of the Internal Revenue Code or corresponding section of any future federal tax code and in accordance with the provisions of the Indiana Charter Schools Act, Ind. Code 20-5.5, et. seq., as amended. In furtherance of the aforesaid purpose, to transact any and all lawful business for which corporations may be incorporated under the Indiana Nonprofit Corporation Act of 1991 (IC 23-17-1 et seq.), provided such business is not inconsistent with the Corporation being organized and operated exclusively for charitable educational purposes, Section 501(c)(3) of the Internal Revenue Code, and the Indiana Charter Schools Act.

(b) No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its educational/charitable purposes.

(c) No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the

publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carded on by (1) an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (2) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

(d) Subject to Article V below, upon the dissolution of the organization, its assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose, and any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

(e) Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on: (i) By a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws, or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2), Section 2055(a)(2), or Section 2522(a)(2) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws.

Section 4.2: Powers. Subject to any limitation imposed by the Indiana Nonprofit Corporation Act, Section 501(c)(3) of the Internal Revenue Code, the Indiana Charter Schools Act, or other applicable law, the Corporation shall have the power to do everything necessary, advisable or convenient for the accomplishment of any of the purposes hereinbefore set forth, or which shall at any time appear conducive to or expedient for the protection or benefit of the Corporation, and to do all of the things incidental thereto or connected therewith which are not forbidden by law;

Section 4.3: Limitations on Powers. If the Corporation is or becomes a private foundation (as defined in Section 509(a) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws), the Corporation shall be subject to the following requirements:

The Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the taxes on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws.

The Corporation shall not engage in any act of self-dealing that would subject any person to the taxes imposed on acts of self-dealing by Section 4941 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws.

The Corporation shall not retain any excess business holdings which would subject it to the taxes on excess business holdings imposed by Section 4943 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws.

The Corporation shall not make any investments in such a manner as to subject it to the taxes on investments that jeopardize charitable purposes imposed by Section 4944 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws.

The Corporation shall not make any expenditures which would subject it to the taxes on taxable expenditures imposed by Section 4945 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws.

Article V – Distribution of Assets on Revocation/Dissolution

If Ball State University (the Sponsor of the School under the Indiana Charter Schools Act) revokes the School's charter before the end of the term for which it is granted, or does not renew the charter, or the charter is otherwise

terminated before the end of the term for which it is granted, the provisions of Indiana Code 20-24-7-9 concerning distribution of local or state funds that remain to be distributed to the School shall apply.

If the Corporation is dissolved, then consistent with Indiana Code 20-24-3-3, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the Corporation, distribute all the assets of the Corporation exclusively for the purposes of the Corporation as follows:

First, all remaining funds received by the Corporation from the Indiana Department of Education ("Department") shall be returned to the Department not more than thirty (30) days after dissolution;

Second, all remaining assets shall be distributed in such manner, or to such organization or organizations organized and operated exclusively for educational or charitable purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent Federal tax laws, as the Board of Directors shall determine; and

Third, any such assets not so disposed of shall be disposed of by the Judge of the Circuit Court of Marion County, Indiana, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Article VI – Term of Existence The Corporation shall have perpetual existence.

SECTION 5

The date of adoption of the amendment to the Articles was September 29, 2011.

ARTICLE II - MANNER OF ADOPTION AND VOTE

SECTION 1: Action by Board of Directors

The Board of Directors duly adopted a resolution proposing to amend the Article(s) of Incorporation: (select one)

☑ At a meeting held on September 20, 2011 at which a quorum of such Board was present.

☐ By written consent executed on _____, 2011 and signed by all members of such Board.

SECTION 2: Action by members

IF APPROVAL OF MEMBERS WAS NOT REQUIRED:

The Amendment(s) were approved by a sufficient vote of the Board of Directors or Incorporators and approval of members was not required.

☐ Yes ☐ No

The Amendment(s) were approved by a person other than the members, and that approval pursuant to Indiana Code 23-17-17-1 was obtained.

☐ Yes ☐ No

IF APPROVAL OF MEMBERS WAS REQUIRED:	TOTAL	MEMBERS OR DELEGATES ENTITLED TO VOTE AS A CLASS		
		1	2	3
MEMBERS OR DELEGATES ENTITLED TO VOTE				
MEMBERS OR DELEGATES VOTED IN FAVOR				
MEMBERS OR DELEGATES VOTED AGAINST				

☐ The manner of the adoption of the Articles of Amendment and the vote by which they were adopted constitute full legal compliance with the provisions of the Act, the Articles of Incorporation, and the By-Laws of the Corporation.

I hereby verify, subject to penalties of perjury, that the facts contained herein are true.

Signature of current Officer	Printed name of Officer
Charles M. Loeser	Charles M. Loeser

Title of Officer

Assistant Secretary

BYLAWS
OF
CAREER ACADEMY OF SOUTH BEND, INC.

ARTICLE I: General

Section 1: Name

The name of the corporation is Career Academy Of South Bend, Inc. (the "Corporation").

Section 2: Initial Registered Office and Initial Registered Agent

The post office address of the Corporation's initial registered office is 4100 Edison Lakes Parkway, Suite 260, Mishawaka, IN 46545. The registered agent in charge of the initial registered office is Charles M. Loeser.

Section 3: Fiscal Year

The Fiscal Year of the Corporation shall begin on the first day of July, and shall end on the last day of June in the following year.

ARTICLE II: Board of Directors

Section 1: Directors

The affairs of the Corporation shall be managed, controlled, and conducted by, and under the supervision of, the Board of Directors, subject to the provisions of the Articles of Incorporation (the "Articles") and these Bylaws. The Board of Directors shall have no less than five members, and no more than eleven. At all times all members of the Board of Directors shall be residents of the State of Indiana, and at least one-half of the members of the Board of Directors shall be residents of the Indiana counties where current students at the charter school reside.

Members of the Board of Directors will serve a term of roughly three years, with the term of each director as re-elected at the end of the original term, or a new director who is elected to replace a retiring director to end as of a different month so that during the month of the expiration of the term of a director, the other members of the board, as active directors, may re-elect such person to an additional term as a member of the Board, or elect a new member. The terms of each member shall expire at the end of the month of the third anniversary of the date of such re-election or appointment. The current board as of December, 2014 consists of:

- Lawrence Garatoni (term extends to January 31, 2017);
- Tracy Graham (term extended to February 28, 2017);

- Jinny Longbrake (replacing Bruce Greenberg, who resigned)(term extends to March 31, 2017);
- Vivian Sallie (term extends to April 30, 2017);
- Thomas Coley (replacing Rob Staley, who resigned)(term extends to May 31, 2017);
- Larry Davis (replacing James Summers, who resigned)(term extends to June 30, 2017);
- Suzanne Wiwi (term extends to July 31, 2017).

The term of each director as re-elected at the end of the original term, or a new director who may be elected to replace a retiring director, shall expire on the third anniversary of the date of such re-election or appointment. At the first meeting of each fiscal year, the Board of Directors shall elect all officer positions for the year.

Section 2: Quorum and Approval of Actions

A majority of the Directors must be in attendance at the beginning of a meeting to constitute a quorum for the transaction of any business properly to come before the Board of Directors. The approval of a majority of the Directors present at a meeting in which a quorum is present shall be considered the act of the Board of Directors. Any Director participating in a meeting by telephone may not vote or make motions, and shall not be counted towards a quorum. Notwithstanding the above, as of the July 1, 2013 effective date of the amendment of IC 5-14-1.5-3.6 to specify that the authorization for participation in meetings by conference call applies to a charter school, a member may participate on a voting basis in board meetings and in doing so will be counted towards a quorum, subject to compliance with the terms of said statute.

Section 3: Regular Meetings

The Board of Directors shall hold regular meetings on a monthly basis during the school year, with at least one meeting during the summer, for the purpose of transaction of such business as properly may come before the Board. Meetings shall be held in the school building or, until such time as a school building has been secured and is available for occupancy, at such location as the Board may determine.

Section 4: Special Meetings

The Board of Directors may hold special meetings for any lawful purpose upon no less than (2) business days notice, as described in Section 6 of this Article II, upon call by the Chair, or by two or more members of the Board. A special meeting shall be held at such date, time, and place inside the State of Indiana or elsewhere as specified in the call of the meeting.

Section 5: Compliance with Indiana Open Door Law

Notwithstanding any other provision of these Bylaws, the Corporation shall comply in all respects with the Indiana Open Door Law (currently codified at IC

5-14-1.5-1), and any corresponding provision of subsequent Indiana law, in connection with all regular or special meetings of the Board.

Section 6: Notice of Special Meetings

Oral or written notice of the date, time, and place of each special meeting of the Board shall be communicated, delivered, or mailed by the Secretary of the Corporation, or by the person or persons calling the meeting, to each member of the Board of Directors so that such notice is effective at least two business days before the date of the meeting and complies with the Indiana Open Door Law. The notice need not describe the purpose of the special meeting.

Oral notice shall be effective when communicated. Written or electronic notice shall be effective at the earliest of the following:

(a) When received;
(b) Five (5) days after the notice is mailed, as evidenced by the postmark or private carrier receipt, if mailed correctly addressed on the address listed in the most current records of the Corporation;

(c) On the date shown on the return receipt, if sent by registered or certified United States mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or

(d) Thirty (30) days after the notice is deposited with another method of United States Postal Service other than first class, registered, or certified mail, as evidenced by the postmark, if mailed correctly addressed to the address listed in the most current records of the Corporation.

Section 7: Waiver of Notice

Notice of a meeting may be waived to a director in a writing signed by the director entitled to notice and filed with the minutes or the corporate records. Attendance at or participation in any meeting of the Board of Directors shall constitute a waiver of lack of notice or defective notice of such meeting unless the director shall, at the beginning of the meeting or promptly upon the director's arrival, object to holding the meeting and not vote for or assent to any action taken at the meeting.

Section 8: Action by Written Consent

Any action required or permitted to be taken at any meeting of the Board, or any committee thereof, may be taken without a meeting if a written consent describing such action is signed by each director or committee member and if such written consent is included in the minutes or filed with the Corporation's records reflecting action taken. Action taken by written consent shall be effective when the last director or committee member signs the consent and the Board of Directors ratifies the action taken in a subsequent meeting held pursuant to the Indiana Open Door Law, unless the consent specifies a prior or subsequent

effective date. A consent signed as described in this Section 8 shall have the effect of approval at a meeting and may be described as such in any document.

Section 9: Resignation, Removal, and Vacancies:

Any director may resign at any time by giving written notice of such resignation to the Board of Directors. Such resignation shall take effect at the time specified, or, if no time is specified, at the time of receipt by the Board. The acceptance of a resignation shall not be necessary to make it effective.

A director may be removed for cause by a majority of the directors then in office. Cause shall include, but not be limited to:

(a) Violations of applicable law, including (but not limited to):

i. Violations of the Indiana Charter School Law; and

ii. Actions that would jeopardize the tax-exempt status of the Corporation or would subject it to intermediate sanctions under the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws (the "Code").

(b) Breach of Fiduciary Duty, including, but not limited to, a violation of the applicable standard of care under the Articles, these Bylaws, or applicable law.

(c) Breach of any governing document relating to the Corporation, including, but not limited to, the Articles, these Bylaws, and the Charter Agreement.

(d) Inadequate attendance at meetings of the Board of Directors, as defined as absence from three consecutive meetings, or from more than 1/3 of the meetings within one calendar year; provided, that for this purpose, a member who participates in a meeting by conference call or video-conference shall not be considered as absent.

Any vacancy on the Board of Directors created by the resignation or removal of a director shall be filled by a majority of the directors then in office. Each new member of the Board of Directors shall be provided by the Secretary with a copy of the School's charter application (narrative portion, excluding exhibits) and shall confirm, prior to voting as a member of the board, that he or she has read and agrees with the school's goals and mission as described therein.

Section 10: Educational Management Organizations

Should the Board of Directors elect to engage an educational management corporation ("EMO") to manage the operations of the charter school for which the

Corporation is responsible, (the "School"), no member of the Corporation's Board of Directors nor an immediate relative of any director may have any pecuniary interest in such EMO.

ARTICLE III: Officers

Section 1: In General

The Officers of the Corporation shall consist of a Chair, a President, a Secretary, an Assistant Secretary, and a Treasurer. An officer may hold more than one office. Each officer shall be elected by the Board of Directors and shall serve for one year, or until the officers successor is duly elected.

Officers do not need to be members of the Board of Directors. Any officer may be removed by the Board of Directors at any time for cause as that term is defined herein in Article II, Section 9. Any vacancy in any office shall be filled by the Board of Directors, and any person elected to fill such vacancy shall serve until the expiration of the term vacated and until his or her successor is elected.

Section 2: Chair

The Chair shall preside at all meetings of the Board of Directors of the Corporation and shall be responsible for implementing the policies established by the Board of Directors, as well as other duties as prescribed by the Board.

Section 3: President

The President shall serve in place of the Chair during times in which the Chair is otherwise unavailable.

Section 4: Secretary and Assistant Secretary

The Secretary shall serve as the custodian, or shall delegate such duties as deemed necessary and expedient, of all papers, books, and records of the Corporation, other than books of account and financial records. The Secretary shall prepare, or shall cause to be prepared, and enter in the minute book the minutes of all meetings of the Board. The Secretary shall authenticate records of the Corporation as necessary, and shall perform other duties usual to such position as the Board of Directors or Chair may prescribe. An assistant secretary shall be designated to act as Secretary in the absence of or pursuant to instructions of the Secretary.

Section 5: Treasurer

The Treasurer shall oversee the School's chief financial officer ("CFO") and shall cause the CFO to (i) prepare and maintain (or cause others to prepare and maintain) correct and complete records of account showing accurately the financial condition of the Corporation; (ii) cause all notes, securities, and other assets coming into the possession of the Corporation to be received, accounted for, and placed in safekeeping according to proper audit and accounting principles; (iii) furnish (or cause to be furnished) a statement of the financial condition of the Corporation at each meeting of the Board or otherwise when requested by the Board of Directors or the Chair; (iv) perform other duties usual to the position of CFO as the Board of Directors or Chair may prescribe.

ARTICLE IV: Committees

Section 1: Executive Committee

The Board of Directors may, by resolution adopted by a majority of the directors then in office, designate two (2) or more directors of the Corporation to constitute an Executive Committee which, to the extent provided in such resolution and consistent with applicable law, shall have and exercise all of the authority of the Board of Directors in the management of the Corporation's affairs during intervals between the meetings of the Board of Directors. The Executive Committee shall be subject to the authority and supervision of the Board of Directors.

Section 2: Other Committees

The Board of Directors may establish other committees, in addition to the Executive Committee, to accomplish the goals and execute the programs of the Corporation. Such committees shall have such responsibilities and powers as the Board of Directors shall specify. Members of such committees may, but need not, be members of the Board of Directors. A committee member appointed by the Board of Directors may be removed by the Board of Directors with or without cause.

ARTICLE V: Conflicts of Interest

Section 1: General Policy

It is the policy of the Corporation and its Board of Directors that the Corporation's directors, officers, and employees carry out their respective duties in a fashion that avoids actual, potential, or perceived conflicts of interest. The Corporation's directors, officers, and employees shall have the continuing, affirmative duty to report any personal ownership, interest, or other relationship that might affect their ability to exercise impartial, ethical, and business-based judgments in fulfilling their responsibilities to the Corporation. This policy shall be further subject to the following principles:

(a) Directors, officers and employees of the Corporation shall conduct their duties with respect to potential and actual grantees, contractors, suppliers, agencies, and other persons transacting or seeking to transact business with the Corporation in a completely impartial manner, without favor or preference based upon any consideration other than the best interests of the Corporation.

(b) Directors, officers, and employees of the Corporation shall not seek or accept for themselves of any of their relatives, including spouses, ancestors, and descendants, from any person or business entity that transacts or seeks to transact business with the Corporation, any gifts, entertainment, or other favors relating to their positions with the Corporation that exceed common courtesies consistent with ethical and accepted business practices.

(c) If a director, or director's relative, directly or indirectly owns a significant financial interest in, or is employed by, any business entity that transacts or seeks to transact business with the Corporation, the director shall disclose that interest or position and shall refrain from voting on any issue pertaining to the transaction.

(d) Officers and employees of the Corporation shall not conduct business on behalf of the Corporation with a relative or business entity in which the officer, employee, or his or her relative owns a significant financial interest or by which such officer, employee, or relative is employed, except by where such dealings have been disclosed to, and specifically approved and authorized by, the Board of Directors of the Corporation.

(e) The Board of Directors may require the Corporation's directors, officers, or employees to complete annually (or as otherwise scheduled by the Board) a disclosure statement regarding any actual or potential conflict of interest described in these Bylaws. The disclosure statement shall be in such form as prescribed by the Board, and may include information regarding a person's participation as a director, trustee, officer, or employee of any other nonprofit organization. The Board shall be responsible for oversight of all disclosures or failures to disclose, and for taking appropriate action in the case of any actual or potential conflict of interest transaction.

Section 2: Effect of Conflict Provisions

The failure of the Corporation, its Board of Directors, or any or all of its directors, officers, or employees to comply with the conflict of interest provisions of these Bylaws shall not invalidate, cancel, void, or make voidable any contract, relationship, action, transaction, debt, commitment, or obligation of the Corporation that is otherwise valid and enforceable under applicable law.

ARTICLE VI: Indemnification

Section 1: Indemnification by Corporation

To the extent not inconsistent with applicable law, every person (and the heirs and personal representatives of such person) who is or was a director, officer, employee, or agent of the Corporation shall be indemnified by the Corporation against all liability and reasonable expense that may be incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding (a) if such person is wholly successful with respect thereto or (b) if not wholly successful, then if such person is determined (as provided in Section 3 of this Article VI) to have acted in good faith, in what her or she reasonably believed to be the best interests of the Corporation, and with respect to any criminal action or proceeding, is determined to have had reasonable cause to believe that his or her conduct was lawful. The termination of any claim, action, suit, or proceeding by judgment, settlement, (whether with or without court approval), or conviction, or

upon a plea of guilty or of nolo contendere, Tor its equivalent, shall not create a presumption that a person did not meet the standards of conduct set forth in this Article VI.

Section 2: Definitions

(a) As used in this Article VI, the phrase "claim, action, suit, or proceeding" shall include any threatened, pending, or completed claim; civil, criminal, administrative, or investigative action, suit, or proceeding and all appeals thereof (whether brought by or on behalf of the Corporation, any other corporation, or otherwise), whether formal or informal, in which a person (or his or her heirs or personal representatives) may become involved, as a party or otherwise:

(i) By reason of his or her being or having been a director, officer, employee, or agent of the Corporation or of any corporation where he or she served as such at the request of the Corporation, or

(ii) By reason of his or her acting or having acted in any capacity in a corporation, partnership, joint venture, association, trust, or other organization or entity where he or she served as such at the request of the Corporation, or

(iii) By reason of any action taken or not taken by him or her in any such capacity, whether or not he or she continues in such capacity at the time such liability or expense shall have been incurred.

(b) As used in this Article VI, the terms "liability" and "expense" shall include, but shall not be limited to, counsel fees and disbursements and amounts of judgments, fines, or penalties against, and amounts paid in settlement by or on behalf of, a person.

(c) As used in this Article VI, the term "wholly successful" shall mean (i) termination of any action, suit, or proceeding against the person in question without any finding of liability or guilt against him or her, (ii) approval by a court, with knowledge of the indemnity provided in this Article VI, of a settlement of any action, suit, or proceeding, or (iii) the expiration of a reasonable period of time after the making of any claim or threat of any action, suit, or proceeding without the institution of the same without any payment or promise made to induce a settlement.

Section 3: Entitlement to Indemnification

Every person claiming indemnification under this Article VI (other than one who has been wholly successful with respect to any claim, action, suit, or proceeding) shall be entitled to indemnification if (a) special independent legal counsel, which may be regular counsel of the Corporation or any other disinterested person or persons, in either case selected by the Board of Directors, whether or not a disinterested quorum exists (such counsel or person or persons being hereinafter called the "referee"), shall deliver to the Corporation a written finding that such person has met the standards of conduct set forth in Section 1 of this Article VI and (b) the Board of Directors, appear before the referee and answer questions that the referee deems relevant and shall be giving ample opportunity to present to

the referee evidence upon which her or she relies for indemnification. The Corporation shall, at the request of the referee, make available facts, opinions, or other evidence in any way relevant to the referee's findings that are within the possession or control of the Corporation.

Section 4: Relationship to Other Rights

The right of indemnification provided in this Article VI shall be in addition to any rights to which any person may otherwise be entitled.

Section 5: Extent of Indemnification

Irrespective of the provisions of this Article VI, the Board of Directors may, at any time, and from time to time, approve indemnification of directors, officers, employees, agents, or other persons to the fullest extent permitted by applicable law, or, if not permitted, then to any extent not prohibited by such law, whether on account of past or future transactions.

Section 6: Purchase of Insurance

The Board of Directors is authorized and empowered to purchase insurance covering the Corporation's liabilities and obligations under this Article VI and insurance protecting the Corporation's directors, officers, employees, agents or other persons.

ARTICLE VII: Contracts, Checks, Loans, Deposits and Gifts

Section 1: Contracts

The Board of Directors may authorize one or more officers, agents, or employees of the Corporation to enter into any contract or execute any instrument on its behalf. Such authorization may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power to bind the Corporation or to render it liable for any purpose or amount.

Section 2: Checks

All checks, drafts, or other orders for payment of money by the Corporation shall be signed by such person or persons as the Board of Directors may from time to time designate by resolution. Such designation may be general or confined to specific instances.

Section 3: Loans

Unless authorized by the Board of Directors, no loan shall be made by or contracted for on behalf of the Corporation and no evidence of indebtedness shall be issued in its name. Such authorization may be general or confined to specific instances.

Section 4: Deposits

All funds of the Corporation shall be designated to its credit in such bank, banks, or depositories as the Board of Directors may designate. Such designation may be general or confined to specific instances.

Section 5: Gifts

The Board of Directors may accept on behalf of the Corporation any gift, grant, bequest, devise or other contribution for the purposes of the Corporation on such terms and conditions as the Board of Directors shall determine.

ARTICLE VIII: Amendments

The power to make, alter, amend, or repeal the Bylaws is vested in the Board of Directors of the Corporation; provided, however, that any proposed substantive alteration amendment, or repeal of these Bylaws must be approved in writing by the Sponsor of the School (as the term "Sponsor" is defined in IC 20-24-1-9) prior to the Board of Directors of the Corporation taking any action thereon.

These Bylaws have been adopted by proper motion by the Board of Directors at the initial Board of Directors meeting on February 14, 2011, as amended June 23, 2011 and further amended April 27, 2012, May 20, 2013, and January 20, 2015.

Attest,

Vivian Sallie

Vivian Sallie
Secretary

Attachment 5: Education Service Provider Contract

Not applicable: CASB does not contract with an Education Service Provider

Attachment 6: Academic Performance Workbook

School Name: Career Academy of South Bend

Current Academic Year: 2014-2015

Comparative School Analysis: Demographics						
		CASB Grades 7-8	Clay Intermediate Center	Dickinson Fine Arts Academy	Edison Intermediate Center	Statewide
Enrollment	# of Students	98	288	314	238	
Grades Served	Grade Levels	7-8	7-8	7-8	7-8	
Free/Reduced Lunch	% of Students	77.5	75.7	76.1	76.9	49.3
Minority	% of Students	51.0	54.2	71.3	66.8	29.1
Special Education	% of Students	17.3	21.9	26.4	21.8	14.8
English Language Learner	% of Students	5.1	4.9	13.7	10.9	5.3
Title I in current year?	Yes/No	Yes	Yes	Yes	Yes	
NOTE: "Comparison school" is defined as schools serving a student population within five percentage points of the school's "Free and Reduced Lunch" percentages in the current year.						
NOTE: Comparable schools and statewide demographics should represent only those grades that are served by the school.						
		CASB Grades 9-12	Clay High School	Riley High School	Washington High School	Statewide
Enrollment	# of Students	282	1,275	1,185	1,093	
Grades Served	Grade Levels	9-12	9-12	9-12	9-12	
Free/Reduced Lunch	% of Students	64.2	61.5	65.4	73.1	49.2
Minority	% of Students	51.0	49.4	59.6	73.1	29.1
Special Education	% of Students	26.6	17.6	17.9	16.7	14.8
English Language Learner	% of Students	5.0	3.5	8.5	12.8	5.3
Title I in current year?	Yes/No	Yes	Yes	Yes	Yes	
Note: The most recent available data is from 2013-14 as reported on the IDOE COMPASS website. Since CASB at that time served grades 7-12, for purposes of comparison we list data for grades 7-8 of CASB and grades 7-8 of three South Bend Community School Corporation middle schools: Clay Intermediate Center, Dickinson Fine Arts Academy and Edison Intermediate Center. For purposes of comparison of CASB grades 9-12, we use three SBCSC high schools: Clay High School, Riley High School, and Washington High School. Washington is not "comparable" as measured by the free/reduced lunch percentage being within 5% of CASB's, but there is no other "comparable" school in the area by that definition, and since the Washington district (the west side of South Bend) is the primary residence area for CASB students, we consider Washington the most appropriate third comparable for grades 9-12.						

Comparative School Analysis: Academic Outcomes

NOTE: Applicant may add additional rows for relevant grades. Applicant may also list other state assessments that are relevant to the student population.

2013-14 Passage rates on ISTEP+ for English/Language Arts

		CASB Grades 7-8	Clay Intermediate Center	Dickinson Fine Arts Academy	Edison Intermediate Center	Statewide
Grade 7	% of Students	57.1	60.6	59.7	58.2	77.8
Grade 8	% of Students	68.1	65.0	67.3	59.4	76.4

2013-14 Passage rates on ISTEP+ for Math

		CASB Grades 7-8	Clay Intermediate Center	Dickinson Fine Arts Academy	Edison Intermediate Center	Statewide
Grade 7	% of Students	66.7	64.5	67.8	69.6	80.5
Grade 8	% of Students	60.0	68.1	72.2	71.4	81.9

2013-14 Growth Model Data for English/Language Arts

		CASB Grades 7-8	Clay Intermediate Center	Dickinson Fine Arts Academy	Edison Intermediate Center	Statewide
Grade 7	% of Students	55.0	49.0	50.0	46.0	
Grade 8	% of Students	44.0				

Growth data by grade is not available on COMPASS and not accessible by grade on The Learning Connection for other schools, see note below.

2013-14 Growth Model Data for Math

		CASB Grades 7-8	Clay Intermediate Center	Dickinson Fine Arts Academy	Edison Intermediate Center	Statewide
Grade 7	Median Growth %	43.0	53.0	54.0	45.0	
Grade 8	Median Growth %	24.0				

Growth data by grade is not available on COMPASS. Growth data on a school-wide basis is available on the IDOE Learning Connection website, https://learningconnection.doe.in.gov/Login.aspx?ret=%2fdefault.aspx , but data by grade and student (allowing calculation of median growth by grade level) is not accessible as to other schools.

2013-14 Passage rates on ECA in English 10

		CASB	Clay High School	Riley High School	Washington High School	Statewide
Grade 10	% of Students	46.9	67.4	64.3	56.8	78.9
Grade 11	% of Students	45.0	53.3	62.5	38.5	64.3

2013-14 Passage rates on ECA in Algebra 1

		CASB	Clay High School	Riley High School	Washington High School	Statewide
Grade 8	% of Students	50.0	-	-	-	
Grade 9	% of Students	10.7	67.2	29.8	34.9	70.7
Grade 10	% of Students	30.0	38.0	22.2	33.3	38.2
Grade 11	% of Students	-	21.4	-	-	44.7s

2013-14 and 2012-13 Graduation Rates

		CASB	Clay High School	Riley High School	Washington High School	Statewide
Graduating Students	% of Students 2012-2013	25.0	79.7	72.6	78.9	88.6
Graduating Students	% of Students 2013-2014	30.6	82.3	78.5	76.3	
CASB 2013-14 w/o Crossing students		91.6				

Note: The data reported on COMPASS in the 2013-14 Report Card section is for graduates at the end of the 2012-13 school year rather than the 2013-14 graduation rate as shown in the "Student Performance" section under "Graduates." CASB's reported graduation rates for both years are misleading. In the 2012-13 school year, there was no senior class at CASB: the school opened with grades 7-9 in 2011 and added grades 10-11 in 2012-13 but did not add grade 12 until 2013-14. However, CASB enrolled a substantial number of students in 2012-13 as well as 2013-14 who attended The Crossing, http://www.crossingeducation.com/, a dropout-recovery school. Crossing students accounted for CASB's 2012-13 graduation rate of 25% (3 of 12 students). For 2013-14, there were 12 seniors attending CASB, of whom 11 (91.6%) graduated, however, there were 32 12th-grade Crossing students enrolled at CASB at various times, of whom The Crossing reported that six graduated. The COMPASS-reported graduation rate of 30.6% is based on 11 of 36 students. CASB knew when it agreed to enroll Crossing students that doing so would adversely affect CASB's academic data (in multiple ways, of which graduation rate is the most visible). Nonetheless, the reported figure is misleading.

See attached ECA supplement

2014-2015 Acuity Scores for ECA

2014-15 CASB Predicted Passage rates on ECA in English 10

	Acuity A	Pass/High Pass	Acuity B	Pass/High Pass	
% of Students	48.0	47% - 1%	53.0	50% - 3%	
Average score	427		455		

2014-15 Predicted Passage rates on ECA in Algebra 1

	Acuity A	Pass/High Pass	Acuity B	Pass/High Pass	
% of Students	39.0	29% - 10%	49.0	35% - 14%	
Average score	448		470		

Career Academy of South Bend Change of Authorizer Application to Education One, LLC (Trine University)

Attachment 7: Accountability Report Prepared By Current Authorizer

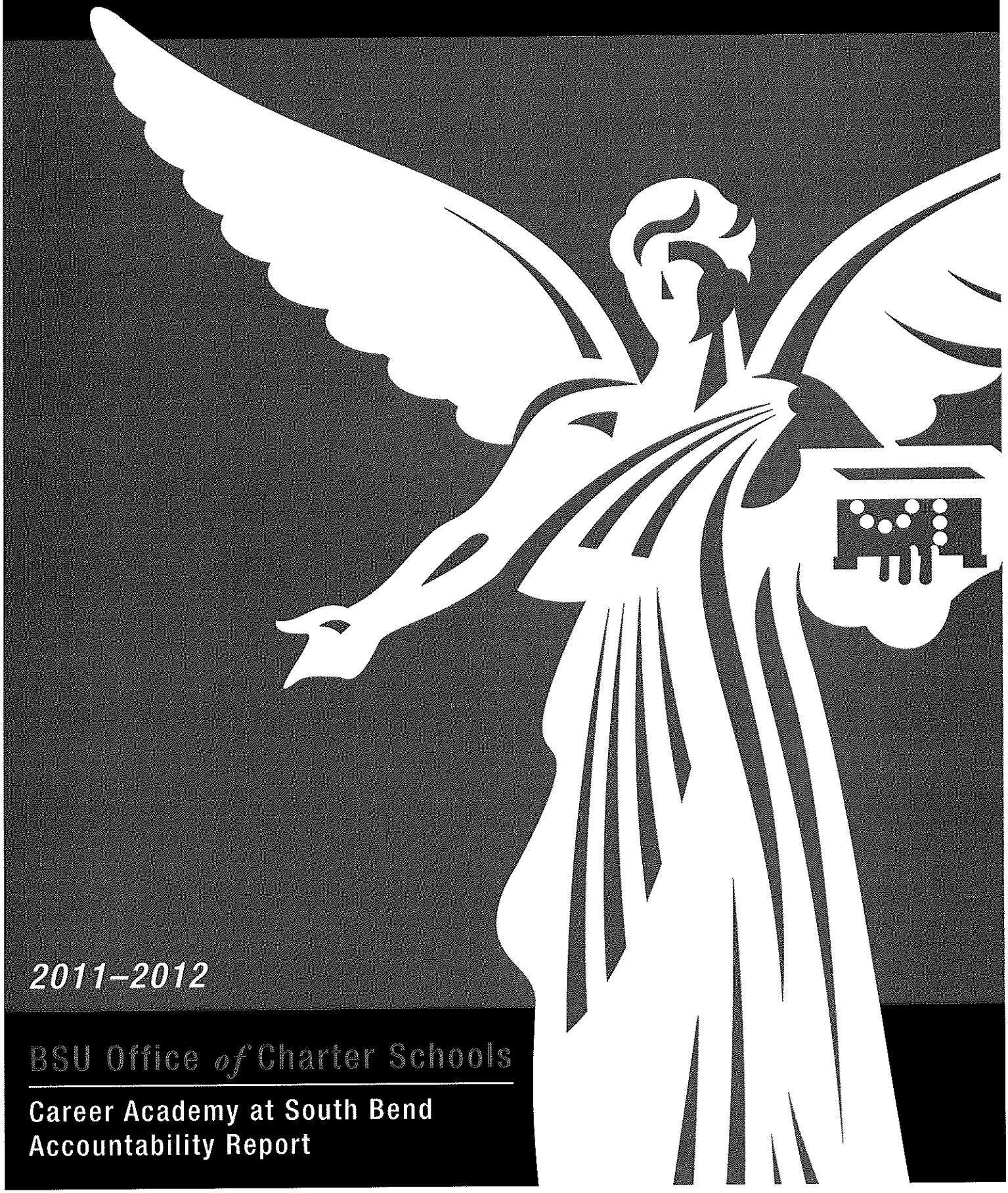
The school's current authorizer, Ball State University, publishes accountability reports at http://cms.bsu.edu/academics/collegesanddepartments/teachers/schools/charter/charterschool/reports but the only report specific to CASB is for 2011-12 (CASB's first year of operations). BSU has also published a 2012-13 accountability report covering all its authorized schools. The 2011-12 CASB report is attached as Part I and the 2012-13 report as to all BSU-authorized schools is attached as Part II.

Career Academy of South Bend Change of Authorizer Application to Education One, LLC (Trine University)

Attachment 7: Accountability Report Prepared By Current Authorizer

Part I: 2011-12 Report As To CASB

BALL STATE UNIVERSITY



2011–2012

BSU Office *of* Charter Schools

Career Academy at South Bend
Accountability Report

BALL STATE UNIVERSITY®

For more information about this report, contact

Ball State University Office of Charter Schools
916 Teachers College, Muncie, IN 47306
Phone: (765) 285-1336 | Fax: (765) 285-9873
www.bsu.edu/teachers/charter

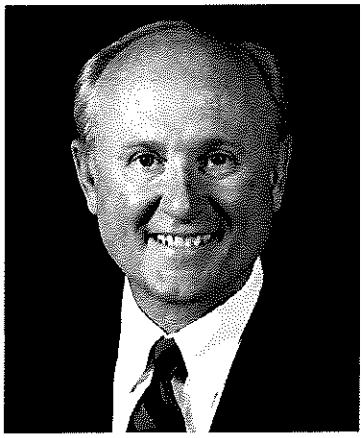
Ball State University Office of Charter Schools Staff
Dr. Robert Marra, Executive Director
Lynn Black, Fiscal Analyst
Kylee Kay Bassett Hope, Special Education and School Compliance Coordinator
Khadija Zaman, Research and Accountability Analyst
Georgette Davis, Field Representative
Laurie Serak, Field Representative
Marriette Siler, Office and Systems Coordinator

Ball State University Office of Charter Schools recognizes the following individuals for their assistance in the preparation of this report.
Dr. Holmes Finch
Dr. Jerrell Cassady
Julianne M. Edwards
Brittney Klauser
Jongkoo Hong
Ashley R. Miller

Ball State University practices equal opportunity in education and employment and is strongly and actively committed to diversity within its community.

LETTER FROM THE DEAN

BSU Office *of* Charter Schools



Nationally, public charter schools continue to grow at a rapid pace. For the 2013 school year, 5,618 charter schools are in operation, serving more than two million students in 41 states and the District of Columbia. These numbers reflect an increase in student population of 13 percent and an increase in the number of schools of seven percent over the preceding year. The number of students in public charter schools is now almost four percent of all students enrolled in public schools across the nation. There are now 25 school corporations in the nation with 20 percent or more of the public school population enrolled in charter schools. Gary Community School Corporation and Indianapolis Public Schools are ranked in the top 10 school corporations serving the highest percentage of charter school students. Though reports vary, there are approximately 1,000,000 students currently on waiting lists nationally.

Ball State University (BSU) serves as the largest authorizer of public charter schools in Indiana, with 35 schools throughout the state serving more than 14,500 students during 2010-2011. For 2011-2012, the number increased to 38 schools, operating with an estimated additional 4,000 students enrolled, and for the 2012-2013 school year Ball State authorized 41 schools serving 22,947 children.

Since the passage of the Indiana charter law in 2001, BSU has been committed to ongoing growth and development of high-quality charter schools and has established rigorous standards to ensure that the schools authorized are held accountable in providing excellent educational experiences for students they serve.

Ball State University's Office of Charter Schools is working to become a model for how an authorizer can drastically improve its policies and practices-- and consequently the strength of the schools in its portfolio. As the largest authorizer in Indiana for over a decade, Ball State is working with the National Association of Charter School Authorizers (NACSA) to improve its practices across the board.

Emphasis on improving student achievement is central to the Office of Charter Schools' (OCS) mission. Monitoring of student progress in Ball State-authorized charter schools is conducted on an annual basis. Using Indiana's new growth model data for 2011-2012 94 percent of BSU-authorized schools show typical or high growth in English/language arts and 75 percent show typical or high growth in math. Progress on the ISTEP+ and achievement growth data obtained from the required Northwest Evaluation Association (NWEA) for all schools is carefully assessed annually and serves as an important indicator of quality.

Increasing the percentage of Ball State-authorized charters that meet performance standards is a commitment stated in *BSU's Education Redefined: Strategic Plan 2012-2017*. To this end, additional mechanisms and strategies for assisting and supporting its charters to aggressively improve student academic performance are being considered and implemented.

As parents and communities continue to call for high-quality educational options, Ball State University remains committed to meeting their needs, as do the many dedicated charter school administrators, teachers, staff and volunteers who serve on school boards, assist in the classrooms, and otherwise advance these public schools on behalf of their students.

Sincerely,

John E. Jacobson

John E. Jacobson, Ed.D. Dean, Teachers College

ACCOUNTABILITY REPORT CONTENT

BSU Office *of* Charter Schools

Overview

Purpose of the Accountability Report
What are Charter Schools?
Ball State Charter Schools
2011-2012 Student Enrollment (BSU)
Role of Ball State University as a Charter Authorizer
Role of the Office of Charter Schools

General Information

BSU Academic Monitoring
Public Law 221 – Indiana's State Accountability Law (PL 221)
Northwest Evaluation Association (NWEA)
2011-2012 Demographic Data

Comprehensive Review of BSU Charter Schools

21st Century Charter School at Gary

BALL STATE UNIVERSITY®

The Ball State University Office of Charter Schools is pleased to provide this Accountability Report along with additional information regarding data summarized in this report online: www.bsu.edu/teachers/charter

PURPOSE OF THE ACCOUNTABILITY REPORT

of BSU Charter Schools

Each year, the Ball State University Office of Charter Schools (OCS) publishes an accountability report indicating the performance of its authorized charter schools. This is the tenth annual accountability report.

The purpose of this report is to provide a snapshot of the performance of each charter school authorized by Ball State that was open during 2011-2012, as well as a general summary of the success of the Ball State charter program. The accountability report provides information about each school's educational philosophy and approach; demographics of the school's student population; 2011-2012 student achievement data in the form of ISTEP+ and the Northwest Evaluation Association (NWEA) Measure of Academic Progress results.

The Office of Charter Schools requested that each school provide background information about its mission and the unique characteristics of the students it serves, along with comments on its performance, the challenges it faced, and the strategies the school is using to increase student achievement. OCS recognizes that each school is a work in progress.This accountability report provides an opportunity for each school to tell its story of successes and challenges and the efforts it is making to aid the students who have enrolled. The overall success of the charter schools program is based primarily on the success of each charter school, and the University expects each school to pursue strategies that increase the probability of both student and school success.

This report is of the performance of each school for the academic year 2011-2012 and goes back five years in operation, where applicable. School performance data is obtained from the state assessment program, and the ISTEP+ assessment. The Indiana Department of Education reports test results only at the school level by grade. Because individual student performance has not been made available to OCS, the office is presently unable to track individual student progress for the ISTEP+ assessment. Without individual student performance on the ISTEP+, specific gains of those individual students from year-to-year cannot be tracked.

Using Indiana's new growth model data does provide some insight into the progress of students within BSU-authorized charter schools. Growth model data for Spring 2012 reports 94 percent of BSU- authorized schools showing typical or high growth in English/ language arts and 75 percent showing typical or high growth in math. Focusing on school passing rates alone does not allow reporting to take into account such factors as the movement of individual students into and out of schools. Such movement is significant for some of the Ball State-authorized schools, thereby masking performance gains of students who remain at a school for a number of years. For accuracy, the performance of a school should be based on the impact of its educational program on the same students over a reasonable period of time.

The NWEA Measures of Academic Progress has been used not only as an accountability tool, but also as a means for identifying individual students' areas of needed improvement. The percentages of students achieving their NWEA target growth rate are included here to provide another indicator of student performance, but this should not be considered a complete evaluation of the school's success in achieving growth among students.

OVERVIEW

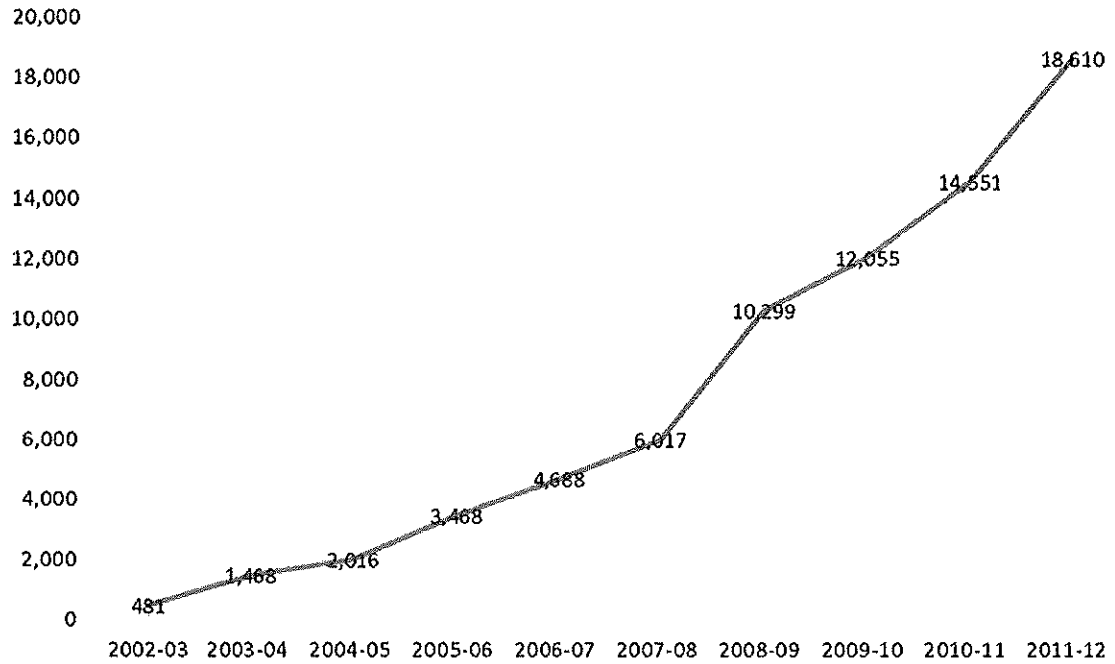
of BSU Charter Schools

What are Charter Schools?

Charter schools are independent public schools that are open to all students and are state-funded. Students do not pay tuition to attend these schools, which are designed and operated by educators, parents, and community leaders. In Indiana, charter schools may be authorized by a limited number of entities, such as the executive of a consolidated city or a state university offering four-year degrees. Ball State, along with other higher education institutions in Indiana, serves as an authorizer of charter schools.

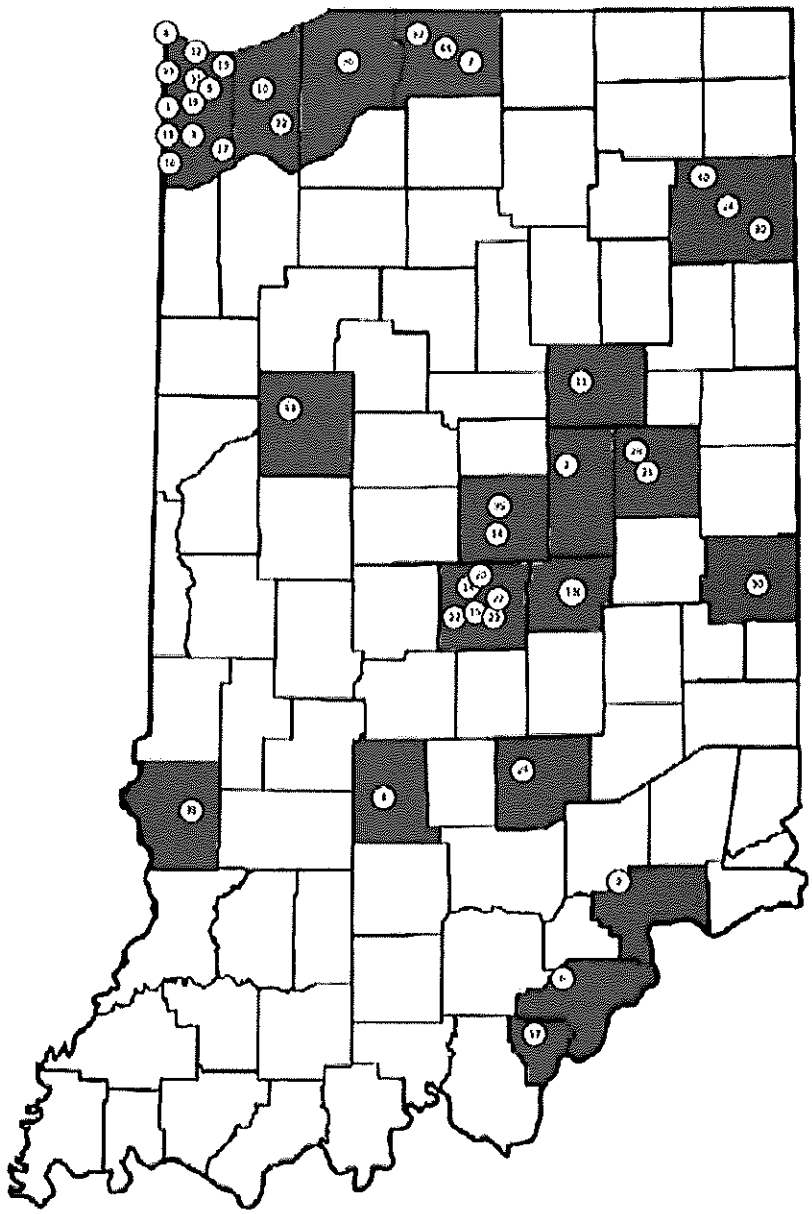
Through these schools, Ball State University contributes to the variety of choices in education available to Indiana students. Each school authorized by the University is expected to strive for academic excellence and have a well-defined mission that is tailored to its community's needs. Like all public schools, charter schools are held to high academic standards, require participation in state testing programs, hire certified teachers, and publish annual reports to the public. The educational program often includes new and innovative approaches to instruction that can be tailored to the specific needs of students. Charter schools are allowed considerable autonomy through the Indiana Charter Law. In exchange for that autonomy, each school is held to a high level of accountability.

Enrollment History of Ball State University Authorized Charter Schools (2012)



MAP OF BALL STATE CHARTER SCHOOLS

1. 21st Century Charter School at Gary 2005
2. Anderson Preparatory Academy 2008
3. Aspire Charter Academy 2008
4. The Bloomington Project School 2009
5. Campagna Academy 2002
6. Canaan Community Academy 2012
7. Career Academy of South Bend 2011
8. Charter School of the Dunes 2003
9. Community Montessori 2002
10. Discovery Charter School 2010
11. Dr. Robert H. Faulkner Academy 2008
12. East Chicago Lighthouse Charter School 2006
13. East Chicago Urban Enterprise Academy 2005
14. Fall Creek Academy 2011
15. Fountain Square Academy 2011
16. Gary Lighthouse Charter School 2005
17. Gary Middle College 2012
18. Geist Montessori Academy 2006
19. Hammond Academy for Science and Technology 2010
20. Hoosier Academy - Indianapolis 2008
21. Hoosier Academy - Muncie 2008
22. Imagine Indiana Life Sciences Academy East 2008
23. Imagine Indiana Life Sciences Academy West 2009
24. Imagine MASTer Academy 2007
25. Imagine Schools on Broadway 2008
26. Indiana Connections Academy 2011
27. Indiana Math and Science Academy West 2007
28. Inspire Academy 2013
29. The International School of Columbus 2009
30. Kenneth A. Christmon STEMM Leadership Academy 2005
31. LEAD College Preparatory Academy 2006
32. Neighbors' New Vistas High School 2012
33. New Community School 2002
34. Options Charter School - Carmel 2004
35. Options Charter School - Noblesville 2006
36. Renaissance Academy 2007
37. Rock Creek Community Academy 2010
38. Rural Community Academy 2004
39. Thea Bowman Leadership Academy 2003
40. Timothy L. Johnson Academy 2002
41. Veritas Academy 2002
42. West Gary Lighthouse Charter School 2006
43. Xavier School of Excellence 2009



2011-2012 STUDENT ENROLLMENT

of BSU Charter Schools

School Name	Enrollment	% of Student Enroll Retention	# of Out of School Suspensions	# of In-School Suspensions	# of Students Expelled
21st Century School at Gary	399	1%	124	3	2
Anderson Preparatory Academy	870	2.87%	283	15	3
Aspire Charter Academy	667	1.95%	221	61	1
Bloomington Project School	272	0.37%	11	–	–
Charter School of the Dunes	378	4.76%	126	76	–
Community Montessori	509	0.79%	26	2	2
Discovery Charter School	371	1.89%	7	2	–
Dr. Robert H. Faulkner Academy	186	–	–	–	–
East Chicago Lighthouse Charter School	511	–	17	164	–
East Chicago Urban Enterprise Academy	437	0.69%	69	96	–
Fall Creek Academy	364	1.37%	142		4
Fountain Square Academy	266	4.14%	44	2	1
Gary Lighthouse Charter School	643	2.95%	156	516	6
Geist Montessori Academy	255	1.96%	–	–	–
Hammond Academy for Science and Technology	398	0.25%	39	20	–
Hoosier Academy - Indianapolis	366	0%	5	–	–
Hoosier Academy - Muncie	96	1.04%	1	4	–
Hoosier Academy - Indianapolis (Virtual)	1853	1.35%	1	–	–
Imagine IN Life Sciences - Indianapolis East	747	3.35%	214	219	12
Imagine IN Life Sciences - Indianapolis West	609	1.64%	162	–	–
Imagine MASTer Academy	758	0.53%	117	–	11
Imagine School on Broadway	443	0.68%	80	–	2
Indiana Connections Academy (virtual school)	1675	10.99%	–	–	–
Indiana Math and Science Academy	557	3.41%	89	–	–
International School of Columbus	86	1.16%	5	4	4
Kenneth A Christmon STEMM Leadership Academy	229	1.31%	6	33	–
Lead College Preparatory Academy	374	1.60%	152	–	1
New Community School	240	2.50%	20	10	–
Options - Carmel	158	16.46%	24	3	3
Options - Noblesville	150	25.33%	48	4	2
Renaissance Academy	175	1.14%	7	–	–
Rock Creek Community Academy	422	1.66%	11	14	–
Rural Community Academy	136	5.88%	5	–	–
South Bend Career Academy	151	7.28%	47	27	2
Thea Bowman Leadership Academy	1500	1.27%	285	–	–
Timothy L. Johnson Academy	305	3.93%	16	7	–
Veritas Academy	98	0%	16	5	1
West Gary Lighthouse Charter School	588	2.38%	256	54	12
Xavier School of Excellence	368	2.17%	56	–	–

ROLE OF BALL STATE UNIVERSITY

as a Charter Authorizer

Ball State is a leader in the development and promotion of educational innovations and best practices for public schools in Indiana. Serving as Indiana's only postsecondary institution authorizing public charter schools is one way the Ball State University demonstrates its commitment to redefining education and building better communities. The chart below demonstrates the diversity found in BSU charter schools as compared to traditional public schools in the state of Indiana.

School Type Comparisons

2011-2012	Traditional Public Schools		BSU Authorized Charter Schools		
Enrollment	1,041,602		18,610		
Ethnicity	**Number**	**Percent**	**Number**	**Percent**	**Range**
Black	127,095	12.2	8,328	44.7	0.0-99%
White	753,575	72.3	7,434	39.9	0.0-97%
Hispanic	95,157	9.1	1,760	9.4	0.0-63%
Multiracial	44,497	4.3	961	5.2	0.0-22%
Asian	17,845	1.7	112	.6	0.0-7%
American Indian	2,887	.3	35	.2	0.0-2%
Native Hawaiian/Pacific Island	546	.1	5	.00	0.0-0.27%
Lunch (Free/Reduced/Paid)					
Free	416,579	40	10,335	55.6	0-94%
Reduced	85,189	8.2	1,423	7.6	0-17%
Paid	539,834	51.8	6,852	36.8	0-91%
Special Education	152,038	14.6	2,217	14.3	0.0-35%
English Language Learner	50,991	4.9	717	4.6	0.0-34%

INDIANA'S STATE ACCOUNTABILITY SYSTEM

Ball State University Authorized Charter Schools PL221 Status

The Indiana Department of Education (IDOE) made the decision in early 2011 to change Indiana's school accountability framework because state education leaders and policymakers deemed it incomprehensible to parents, administrators, and the community at large. In February 2012, the State Board of Education gave final approval of the new methodology for determining school and corporation category designations (A-F) grades based on student performance.

The new metrics will be used to assign category designations (letter grades) starting with the 2011-2012 academic year. The new A-F labels improve transparency by allowing parents and community members to better recognize how well Indiana schools are performing and leading students to achieve positive academic outcomes.

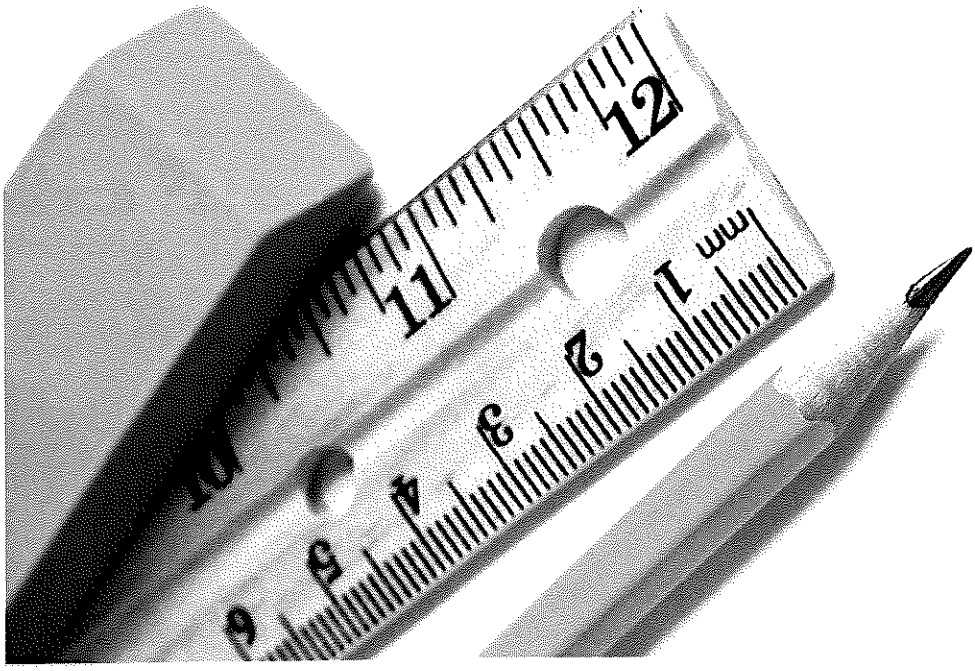
School Name	2011-2012	2010-2011	2009-2010	2008-2009
21st Century School at Gary	C	A	A	N/A
Anderson Preparatory Academy	D	D	B	N/A
Aspire Charter Acadamy	C	C	F	N/A
Bloomington Project School	C	C	F	N/A
Charter School of the Dunes	F	D	C	N/A
Community Montessori	D	C	F	N/A
Discovery Charter School	A	B	–	N/A
Dr. Robert H. Faulkner Academy	C	A	A	N/A
East Chicago Lighthouse Charter School	D	C	C	N/A
East Chicago Urban Enterprise Academy	D	F	C	N/A
Fall Creek Academy	F	C	C	N/A
Fountain Square Academy	D	C	D	N/A
Gary Lighthouse Charter School	F	F	C	N/A
Geist Montessori Academy	A	A	A	N/A
Hammond Academy for Science and Technology	F	D	–	N/A
Hoosier Academy - Indianapolis	B	D	C	N/A
Hoosier Academy - Muncie	F	F	F	N/A
Hoosier Academy - Virtual	F	F	C	N/A
Imagine Indiana Life Sciences - Indianapolis East	F	F	F	N/A
Imagine Indiana Life Sciences - Indanapolis West	C	D	F	N/A
Imagine MASTer Acadamy	F	C	D	N/A
Imagine School on Broadway	F	F	F	N/A
Indiana Connections Academy (virtual school)	D	B	–	N/A
Indiana Math and Science Academy	B	A	A	N/A
International School of Columbus	B	–	A	N/A
Kenneth A Christmon STEMM School	F	A	A	N/A
Lead College Preparatory Academy	F	D	C	N/A
New Community School	F	C	B	N/A
Options - Carmel	F	C	F	N/A
Options - Noblesville	F	F	F	N/A
Renaissance Academy	A	B	A	N/A
Rock Creek Community Academy	C	D	–	N/A
Rural Community Academy	B	A	A	N/A
South Bend Career Academy	F	–	–	N/A
Thea Bowman Leadership Academy	C	C	A	N/A
Timothy L. Johnson Academy	D	B	B	N/A
Veritas Academy	A	C	C	N/A
West Gary Lighthouse Charter School	F	D	C	N/A
Xavier School of Excellence	C	C	A	N/A

NORTHWEST EVALUATION ASSOCIATION - MAP

Performance Categories

Northwest Evaluation Association (NWEA)

The Northwest Evaluation Association (NWEA), a nonprofit organization, has partnered with school corporations and educational agencies across the nation to provide comprehensive assessment since 1977. More than two million students in the United States participate in NWEA assessments each year, providing an ample body of reference data for achievement norms. With a variety of support services, resource materials, and in-depth training, NWEA is a leader in longitudinal research for student achievement and growth and school improvement. In keeping with the NWEA mission to help all students learn, the organization uses assessment data to provide instructional tools for educators. Test results are made available for immediate use, with detailed reports and interpretation of student performance. Each Ball State-authorized charter school has administered the Measure of Academic Progress (MAP) standardized test in the fall and the spring. Growth rates are determined by the change in scores from fall to spring. Target growth rates are individualized, based upon the average for comparison students in the normal group who received a similar score. The target rate for one student may not be the same as the target rate for another. The percentage of students meeting their target growth rate for each school includes only those students present for both the fall and spring testing. This is the fourth year in which NWEA assessments are part of the requirement for accountability reporting. This data provides another snapshot of student performance that is focused specifically on student growth.



NWEA GROWTH

Fall 2011 - Spring 2012

School Name	% of students meeting math growth target	% of students meeting lang arts growth target	% of students meeting reading growth target
21st Century School at Gary	54.8%	50.5%	49.3%
Anderson Preparatory Academy	47.4%	52.7%	44.6%
Aspire Charter Academy	64.6%	62.1%	59.2%
Bloomington Project School	51.3%	49.5%	44.3%
Charter School of the Dunes	57%	56.7%	47.8%
Community Montessori	44.8%	49.9%	52.4%
Discovery Charter School	69.3%	62.8%	64.2%
Dr. Robert H. Faulkner Academy	51.4%	51.6%	49%
East Chicago Lighthouse Charter School	55.9%	53.9%	47.5%
East Chicago Urban Enterprise Academy	54.8%	53.2%	49.3%
Fall Creek Academy	–	–	–
Fountain Square Academy	–	–	–
Gary Lighthouse Charter School	56.6%	51.8%	56.8%
Geist Montessori Academy	–	–	–
Hammond Academy for Science and Technology	46.2%	34.7%	38.4%
Hoosier Academy - Indianapolis	–	–	–
Hoosier Academy - Muncie	–	–	–
Hoosier Academy - Indianapolis (Virtual)	–	–	–
Imagine IN Life Sciences - Indianapolis East	64.9%	48%	48.3%
Imagine IN Life Sciences - Indianapolis West	54.8%	52%	45.9%
Imagine MASTer Academy	50.8%	57.8%	49.1%
Imagine School on Broadway	42.9%	36.6%	42.1%
Indiana Connections Academy (virtual school)	–	–	–
Indiana Math and Science Academy	58.6%	57.1%	45.4%
International School of Columbus	–	–	–
Kenneth A Christmon STEMM Leadership Academy	42.6%	49.2%	37.8%
Lead College Preparatory Academy	45.4%	61.5%	44.7%
New Community School	40.5%	47.7%	40.7%
Options - Carmel	80%	28.6%	33.3%
Options - Noblesville	37.9%	55.2%	63.3%
Renaissance Academy	62.8%	61.2%	46.3%
Rock Creek Community Academy	59.5%	55.4%	51.9%
Rural Community Academy	63%	51.6%	50.9%
South Bend Career Academy	46.7%	62.5%	41.8%
Thea Bowman Leadership Academy	37.7%	44%	37.1%
Timothy L. Johnson Academy	75.6%	65.9%	67.5%
Veritas Academy	60.6%	65.2%	58.1%
West Gary Lighthouse Charter School	54.1%	45.5%	51.7%
Xavier School of Excellence	63.6%	65.6%	58.1%

2011-2012 DEMOGRAPHICS

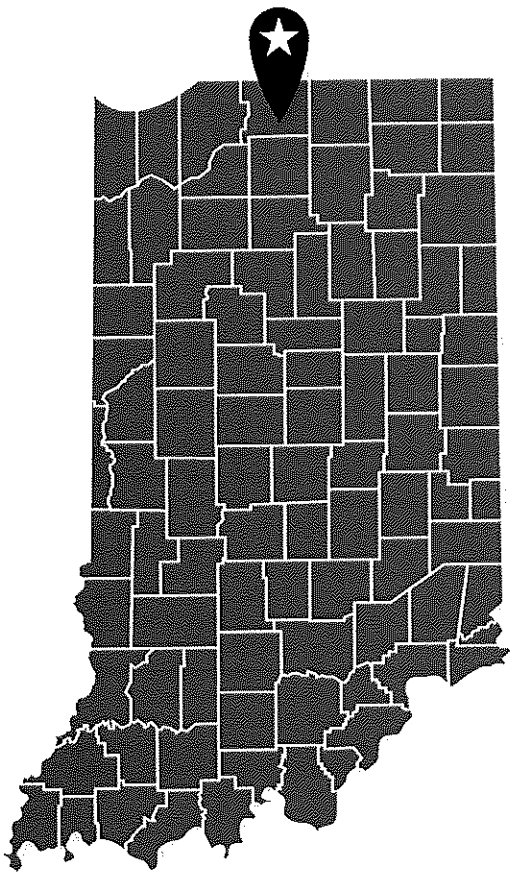
Comprehensive Review *of* BSU Charter Schools

School Name	% of Students Identified as Ethnic Minority	% of Students Receiving Free Lunch	% of Students Receiving Reduced Lunch	% of Students Identified for Special Ed Svc
21st Century School at Gary	99%	84%	6%	7%
Anderson Preparatory Academy	43%	42%	16%	17%
Aspire Charter Academy	99%	82%	8%	9%
Bloomington Project School	26%	33%	7%	25%
Charter School of the Dunes	97%	62%	3%	13%
Community Montessori	12%	16%	13%	19%
Discovery Charter School	10%	18%	5%	12%
Dr. Robert H. Faulkner Academy	55%	51%	7%	13%
East Chicago Lighthouse Charter School	97%	83%	8%	8%
East Chicago Urban Enterprise Academy	99%	76%	8%	6%
Fall Creek Academy	91%	77%	7%	15%
Fountain Square Academy	32%	84%	5%	20%
Gary Lighthouse Charter School	100%	78%	6%	4%
Geist Montessori Academy	18%	5%	4%	14%
Hammond Academy for Science and Technology	72%	20%	0%	0%
Hoosier Academy - Indianapolis	24%	8%	8%	17%
Hoosier Academy - Muncie	22%	49%	7%	31%
Hoosier Academy - Indianapolis (Virtual)	18%	21%	4%	14%
Imagine IN Life Sciences - Indianapolis East	99%	90%	6%	8%
Imagine IN Life Sciences - Indianapolis West	95%	85%	6%	8%
Imagine MASTer Academy	44%	70%	8%	8%
Imagine School on Broadway	69%	86%	7%	7%
Indiana Connections Academy (virtual school)	18%	37%	16%	12%
Indiana Math and Science Academy	90%	92%	2%	8%
International School of Columbus	24%	23%	7%	8%
Kenneth A Christmon STEMM Leadership Academy	66%	88%	4%	14%
Lead College Preparatory Academy	99%	61%	4%	13%
New Community School	26%	40%	10%	25%
Options - Carmel	22%	37%	4%	30%
Options - Noblesville	13%	35%	5%	35%
Renaissance Academy	30%	15%	5%	11%
Rock Creek Community Academy	17%	12%	3%	16%
Rural Community Academy	3%	49%	13%	29%
South Bend Career Academy	56%	60%	17%	18%
Thea Bowman Leadership Academy	99%	62%	5%	6%
Timothy L. Johnson Academy	99%	94%	4%	15%
Veritas Academy	65%	53%	14%	13%
West Gary Lighthouse Charter School	100%	84%	5%	11%
Xavier School of Excellence	74%	80%	8%	14%

* The figures above have been rounded to the nearest percentage point.

Career Academy at South Bend

of BSU Charter Schools



Career Academy at South Bend

ADDRESS

3801 Crescent Cir
South Bend, IN 46628

TELEPHONE

(574) 299-9800

WEBSITE

http://www.southbendcareeracademy.org/

Grades Served:	**7-9**
Year Opened:	**2011–2012**
Final Year In Contract:	**2015–2016**
Total Enrollment:	**151**
School Leader:	**Yolanda Turner-Smith**
Board Chair:	**Lawrence Garatoni**

MISSION

The Career Academy's mission is to prepare our students to become productive and contributing members of society by combining core academic courses with vocationally oriented education.

EDUCATIONAL PROGRAM

South Bend Career Academy is a career-focused middle and high school. The Academy will offer a blend of educational strategies, both traditional and project-based learning, all paired with a vocational component. The Academy will offer classes in: Welding, Precision machine technology, Auto mechanics, Entrepreneurship, Information technology, Nursing, Business finance and more!

SCHOOL-LEVEL DEMOGRAPHICS

Comparative data

Career Academy at South Bend (2012)

Location	South Bend, IN
Grades Served	7-9
Ethnic Diversity	
Black	51
Hispanic	19
Multiracial	16
White	65
Total Enrollment	151

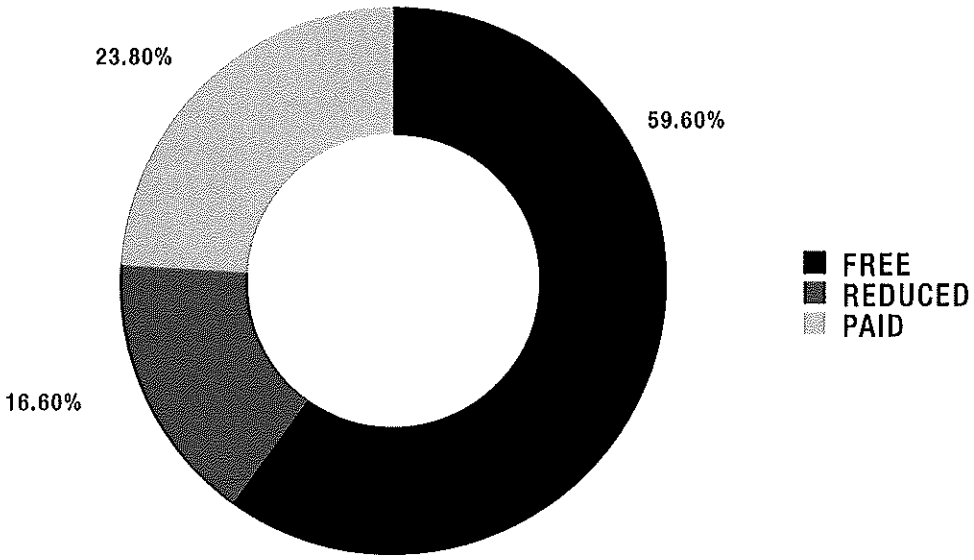
School-Level Demographic Explanation

The data presented in the report illustrates school-level demographic data. In particular, demographic factors including special education status, free/reduced lunch status (meal plan), ethnicity, limited English proficiency, and gender distribution are presented for comparison. In addition, we have summarized the level of daily reported attendance and overall enrollment history. Lastly, we summarized graduation rate, dropout rate, percent of students take the SAT, average SAT Math, average SAT Verbal, percent of students completing the Academic Honor's Program, percent of students completing the Core 40, and average teacher salary. The data was extracted from the Indiana Department of Education school corporation database.

MEAL PLAN STATUS

Comparative data

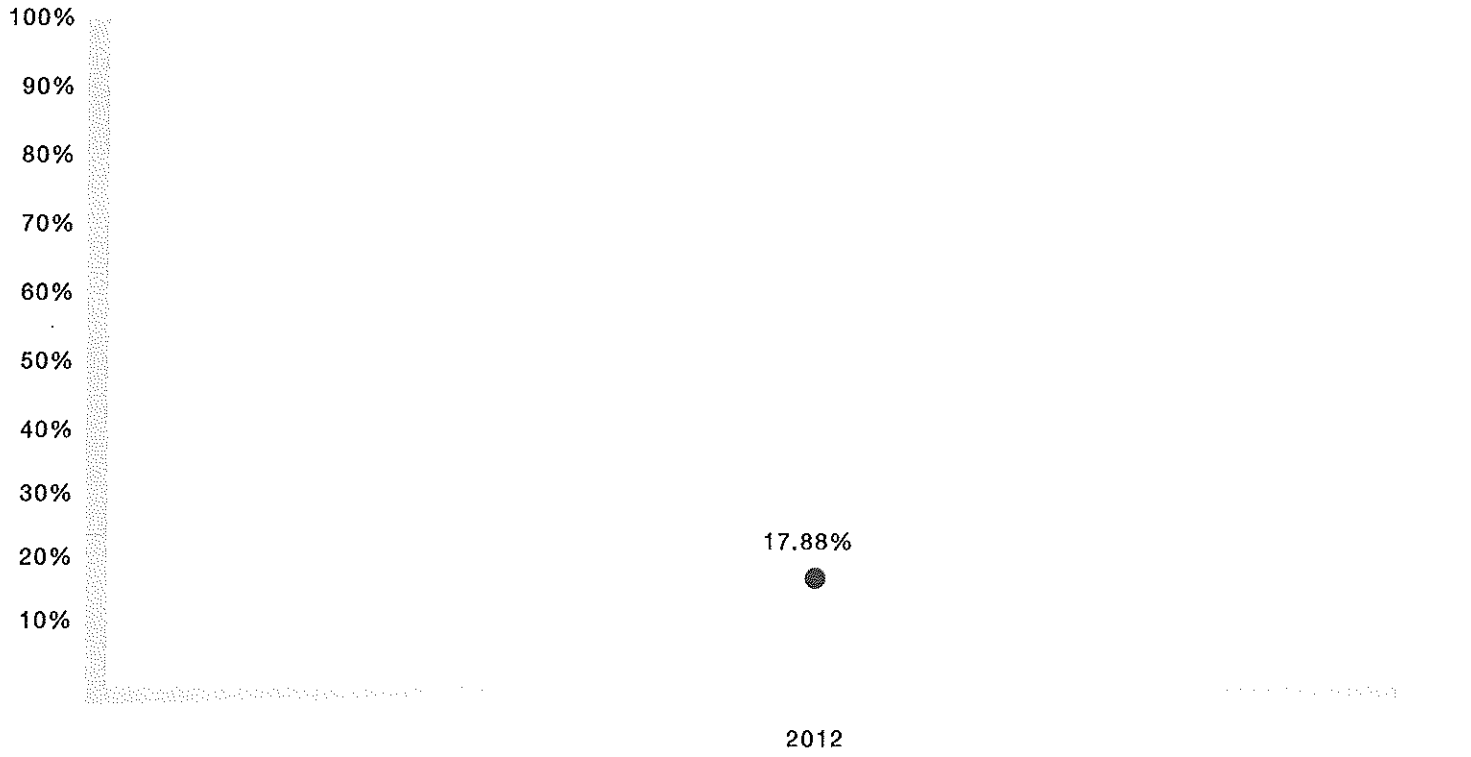
Meal Plan (2012)



SPECIAL EDUCATION ENROLLMENT

Career Academy at South Bend

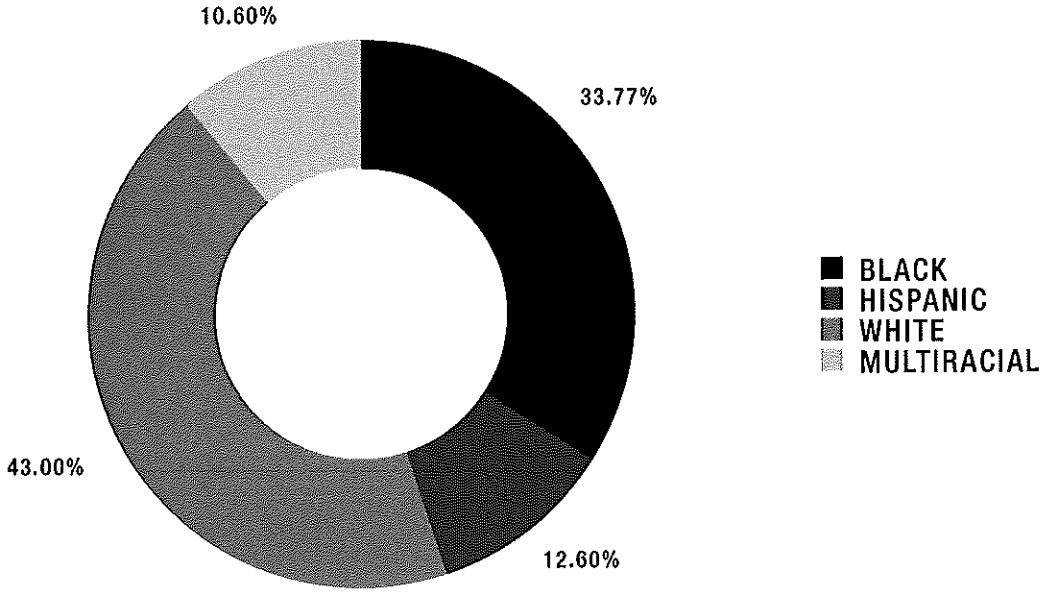
Special Education Students (2012)



ETHNIC DIVERSITY

Career Academy at South Bend

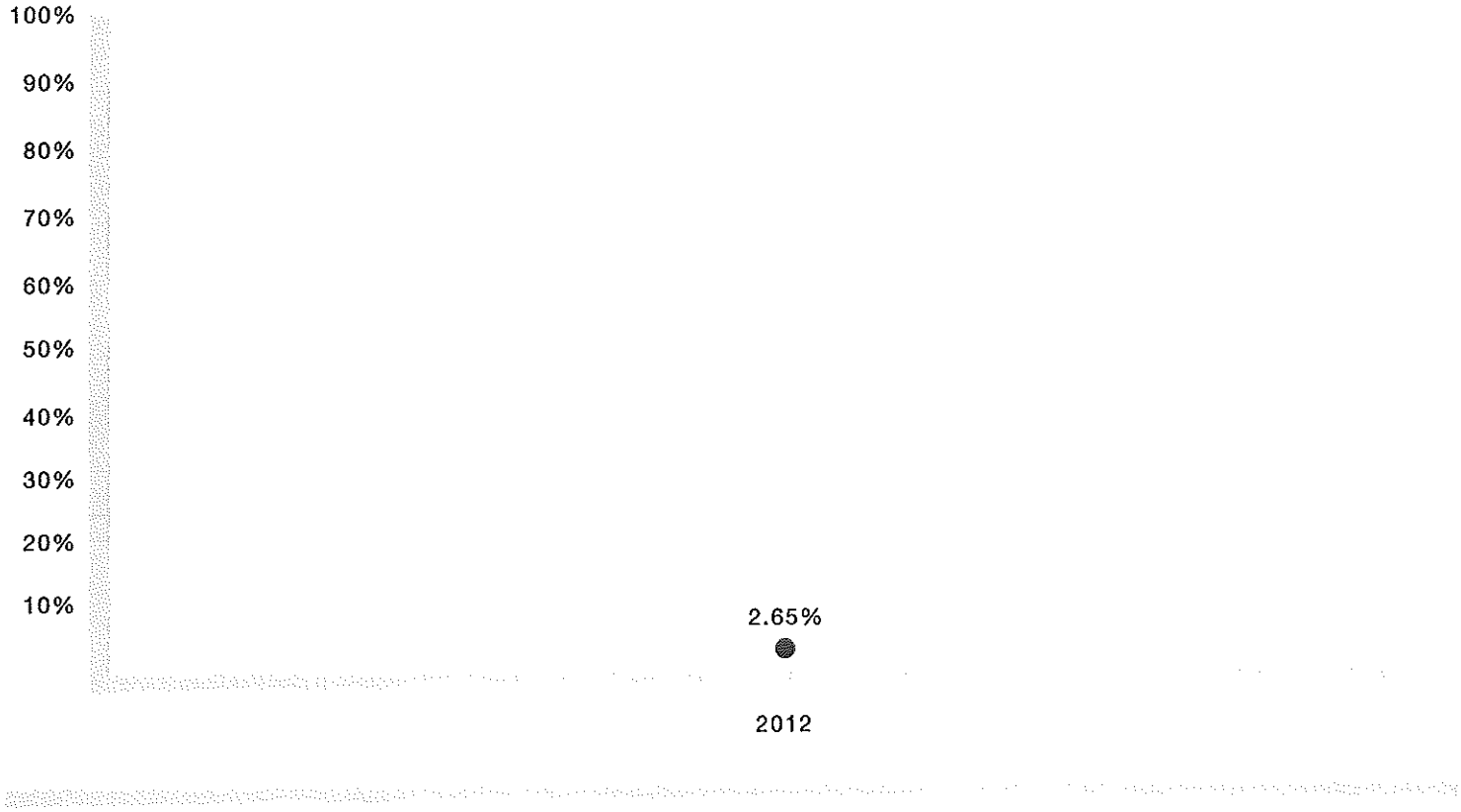
Ethnic Diversity (2012)



LIMITED ENGLISH POPULATION

Career Academy at South Bend

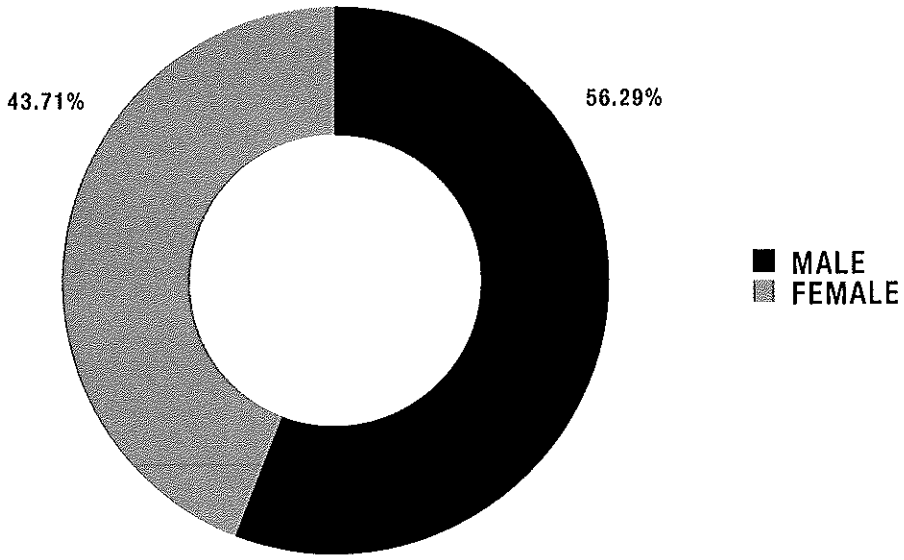
Limited English Students (2012)



GENDER DIVERSITY

Career Academy at South Bend

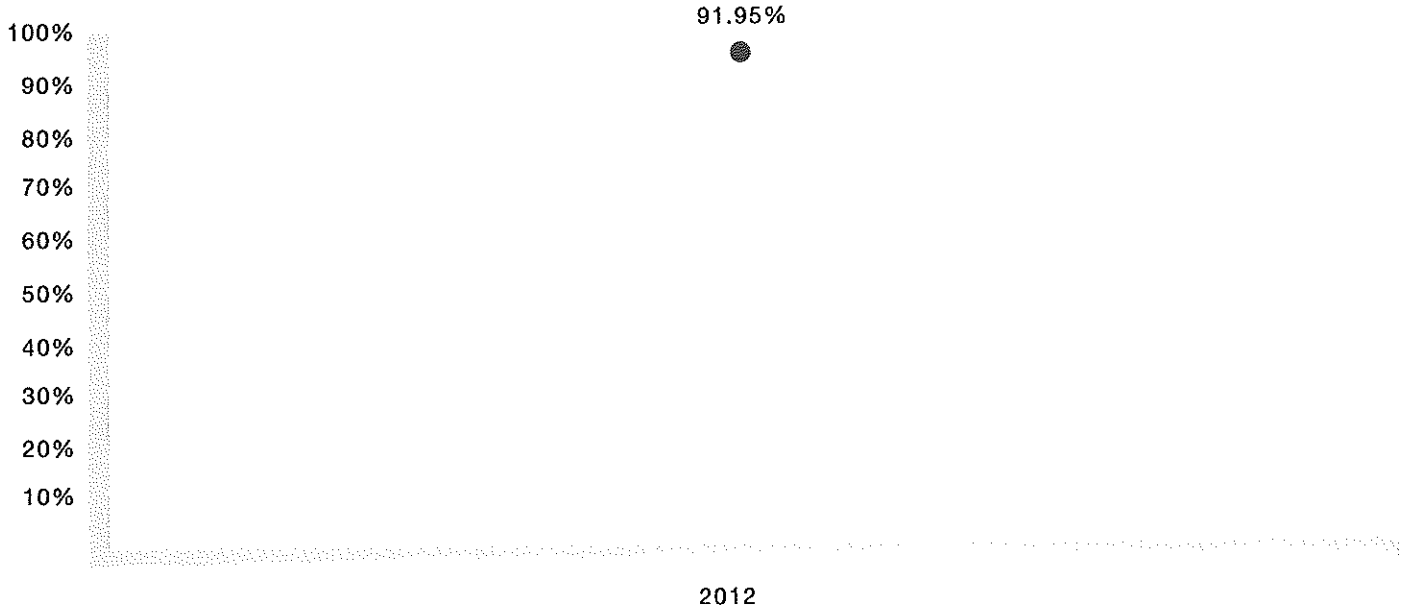
Gender Diversity (2012)



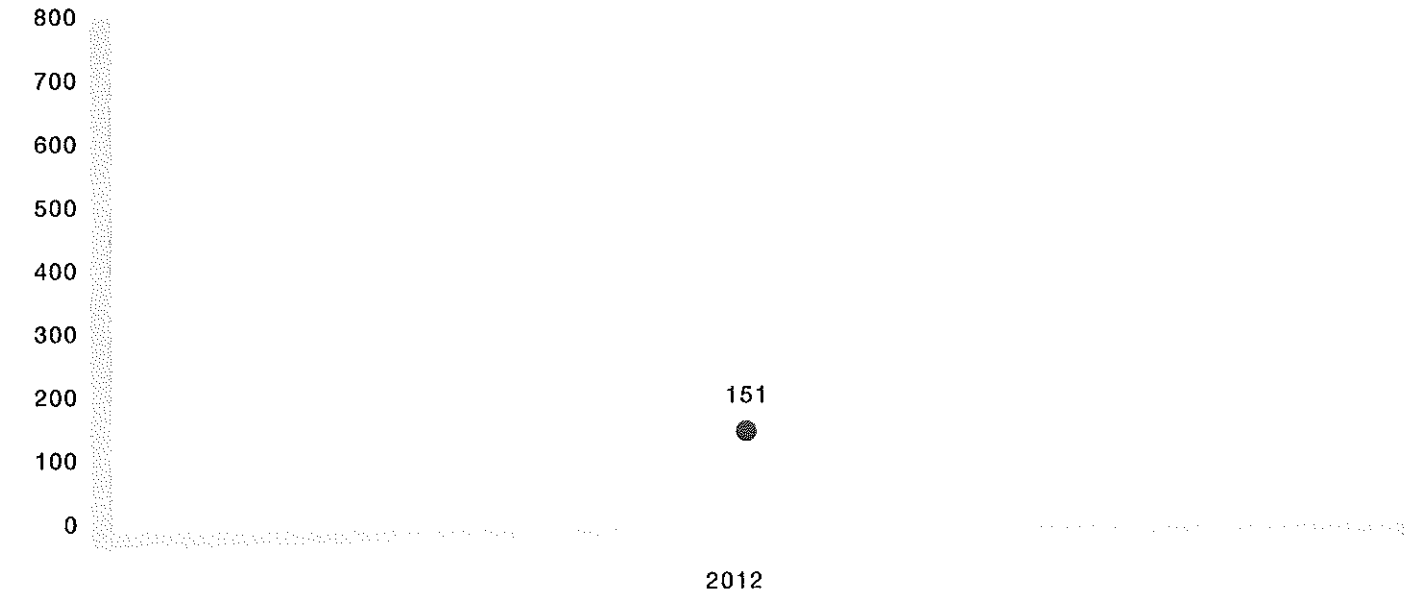
ATTENDANCE & ENROLLMENT

Career Academy at South Bend

School Attendance (2012)



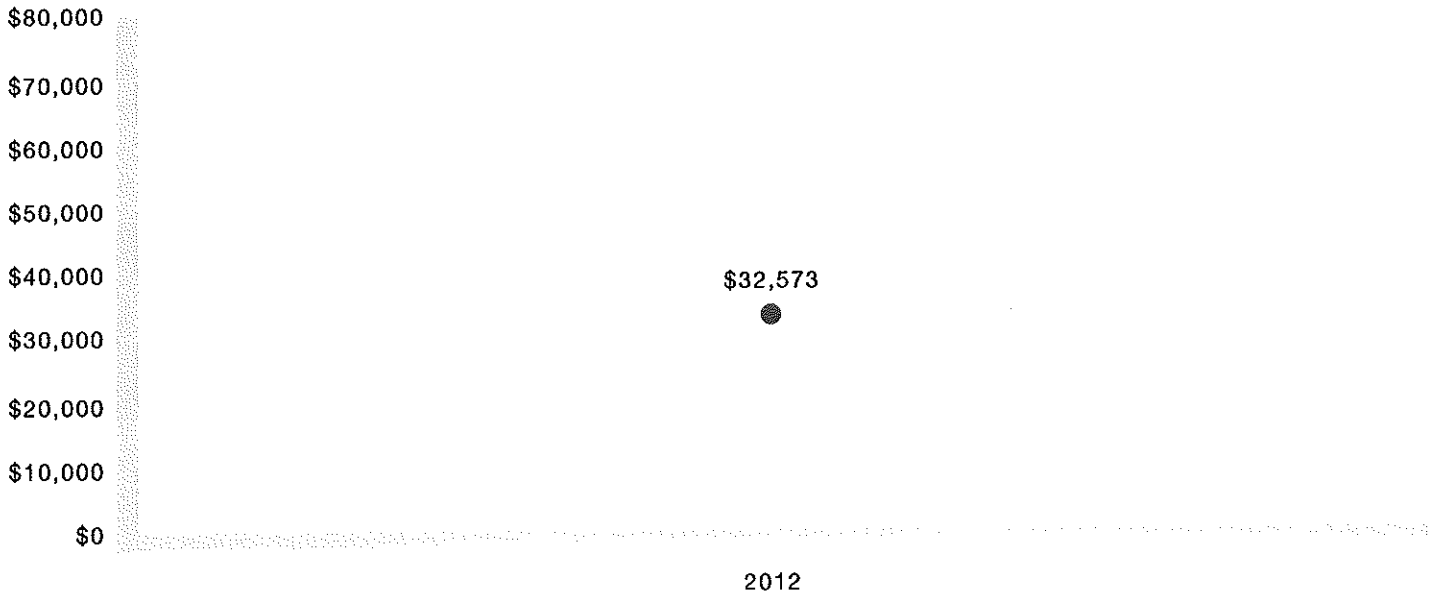
Enrollment History (2012)



TEACHER SALARY

Career Academy at South Bend

Average Teacher Salary (2012)



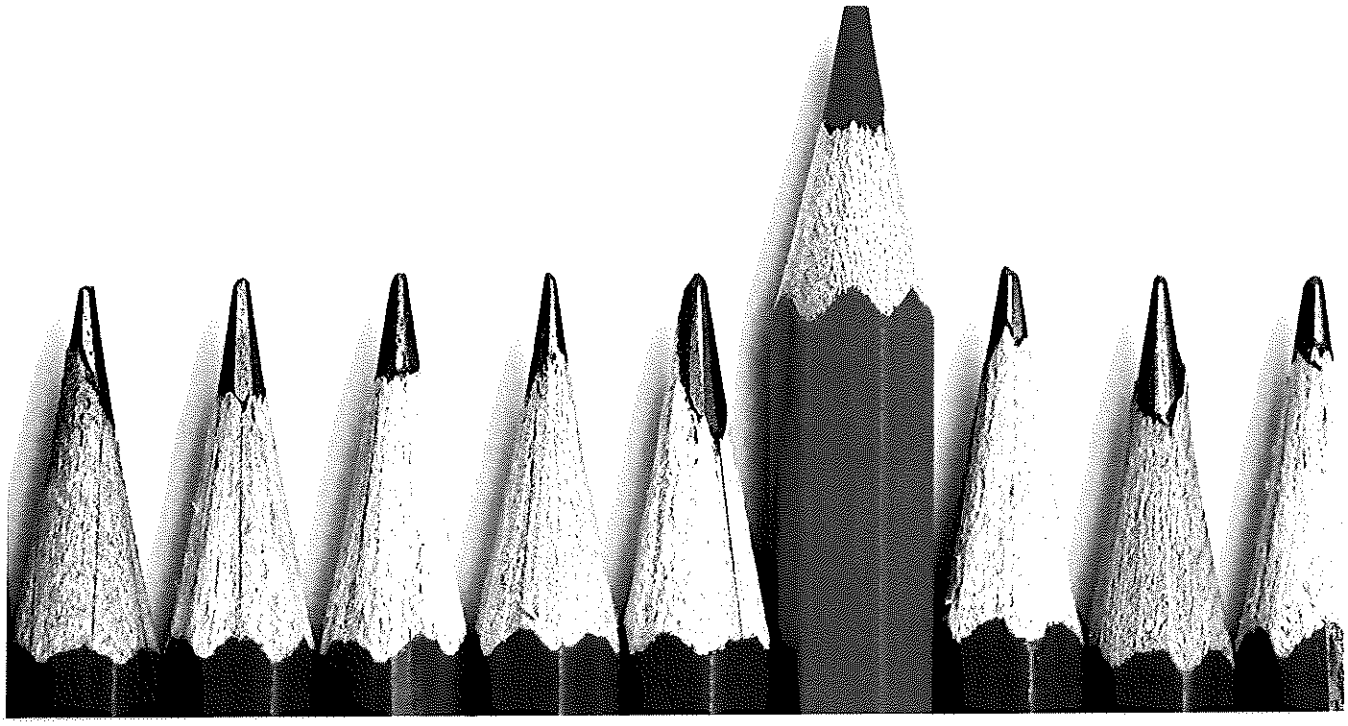
ACHIEVEMENT RESULTS

Career Academy at South Bend

To document achievement trends at the school, we have collected school-level ISTEP+ performance data. ISTEP+ data currently available provide two different methods for analysis. First, we provide data from the school outlining both overall school performance based on both passing percentage (for each assessment area) and median growth percentile. The median growth percentile score is an assessment that documents the average growth percentile for students, as compared to the growth rates for other children who performed at the same level in the prior year. In this way, we have an indicator for the Spring 2012 data identifying the rate of growth for the charter school students relative to a predictable rate of improvement. Data are summarized in this section in two ways. First, the overall school performance data are provided in the following table for a school representation. Next, a series of charts generated by the Indiana Department of Education for the charter school are provided illustrating the "growth by performance" quadrants, first for the school at large, then for categories of grade level and ethnicity. The charts are restricted by design to remove any group of students that has fewer than 10 members, so certain charts have limited data.

Career Academy at South Bend (Spring, 2012)

ISTEP+	Students Tested	Overall Passing %	Median Growth	Category or Quadrant (Growth/Achievement)
Math	96	47.9%	23.0%	Lower Growth, Lower Achievement
English	96	45.8%	38.0%	Lower Growth, Lower Achievement

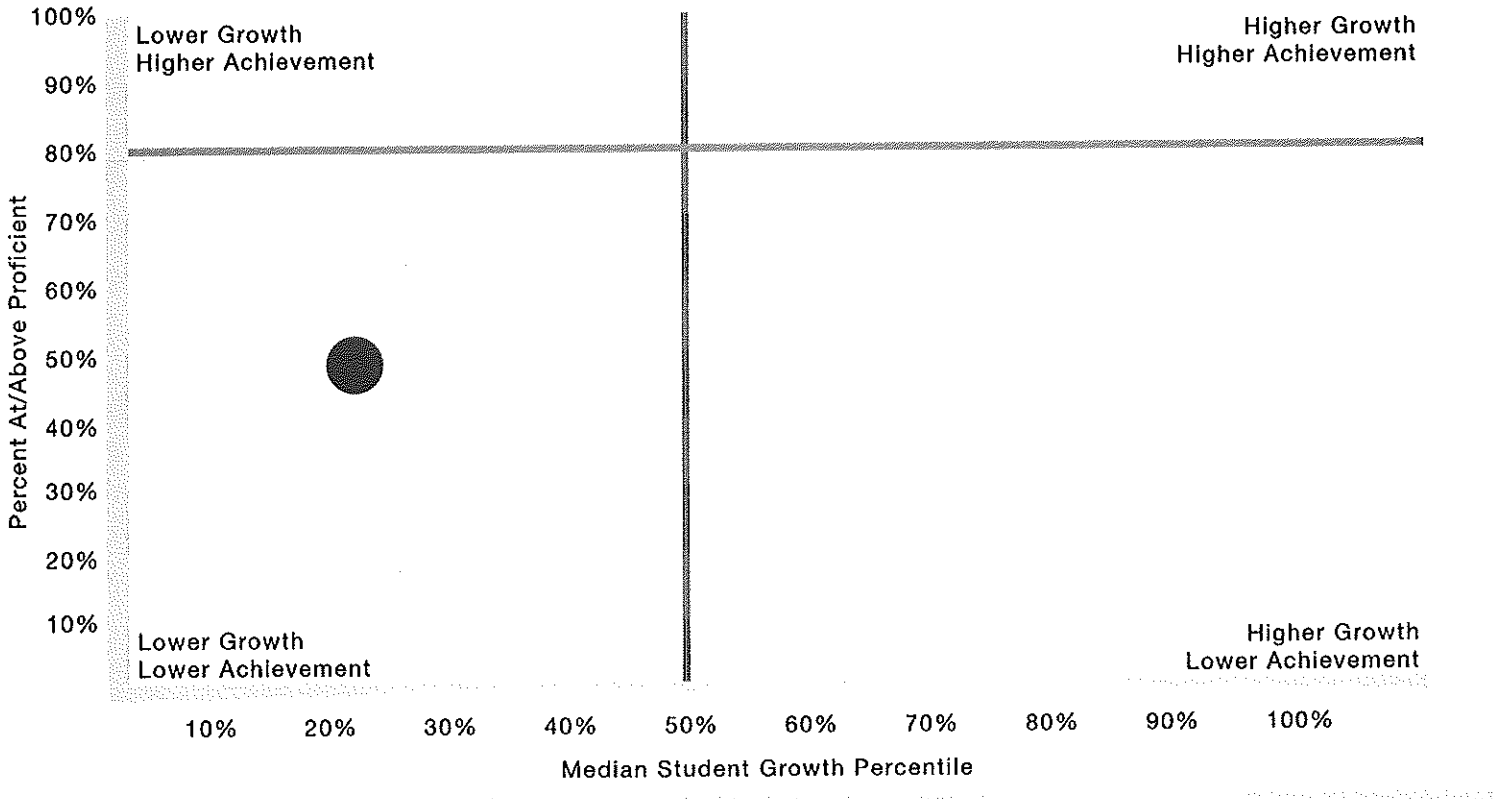


ISTEP+ GROWTH MODEL

Career Academy at South Bend

Indiana's Growth Model has set a national standard for measuring the academic progress students make during a school year. This gives parents new levels of information on the academic achievement of their students. By measuring improvement as well as proficiency, the model ensures there is a constant focus on driving results for all students. The Indiana's Growth Model measures a student's academic growth in relationship to students with similar academic histories -- as well as the student's progress toward proficiency standards. The ISTEP+ scores are used in a new way to provide a deeper and more user-friendly look at student achievement. (Source: IDOE)

Math (Spring 2012)

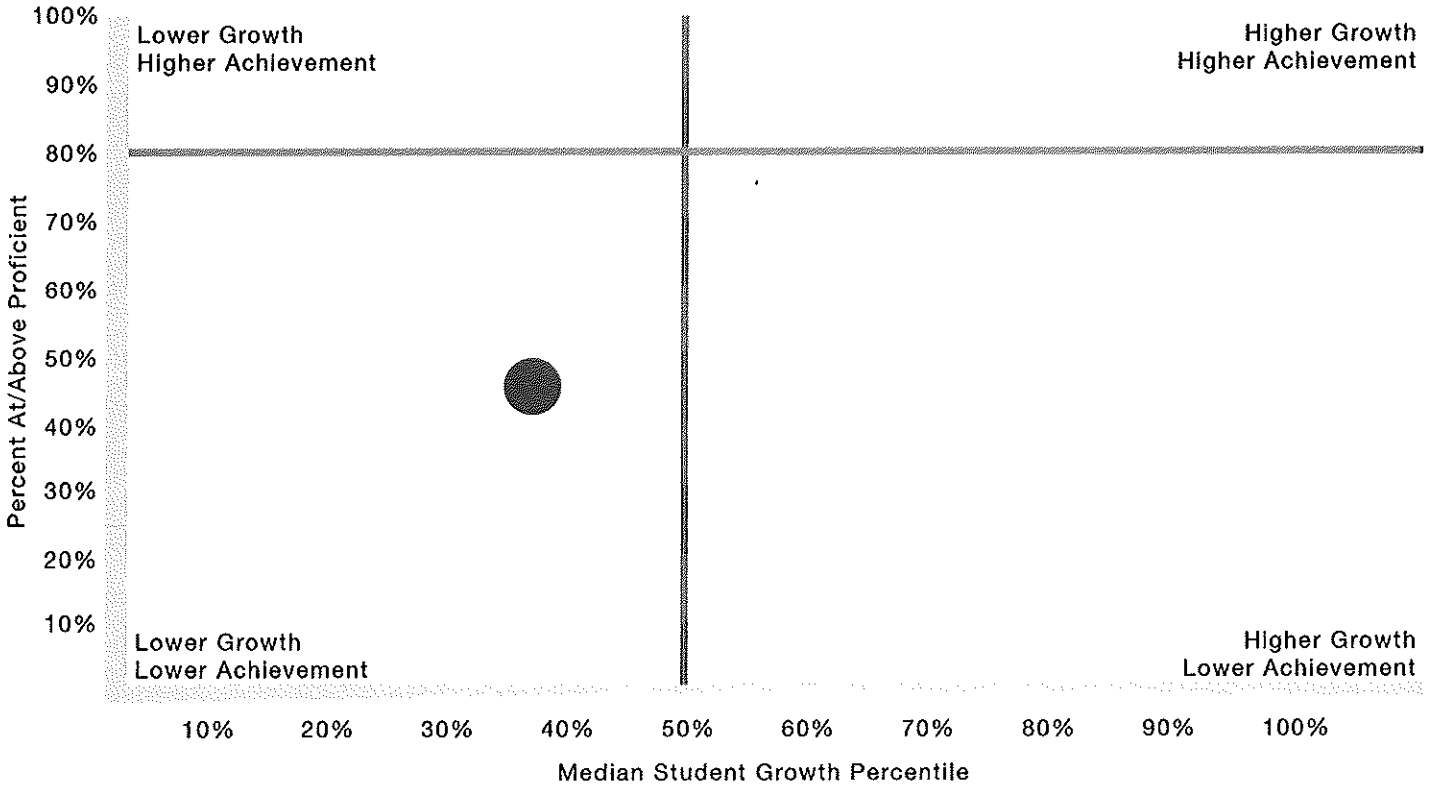


Math
Students Enrolled: 151
Students Tested: 96
Pass Percent: 47.9%
Median Growth Percent: 23.0%

ISTEP+ GROWTH MODEL

Career Academy at South Bend

English (Spring 2012)

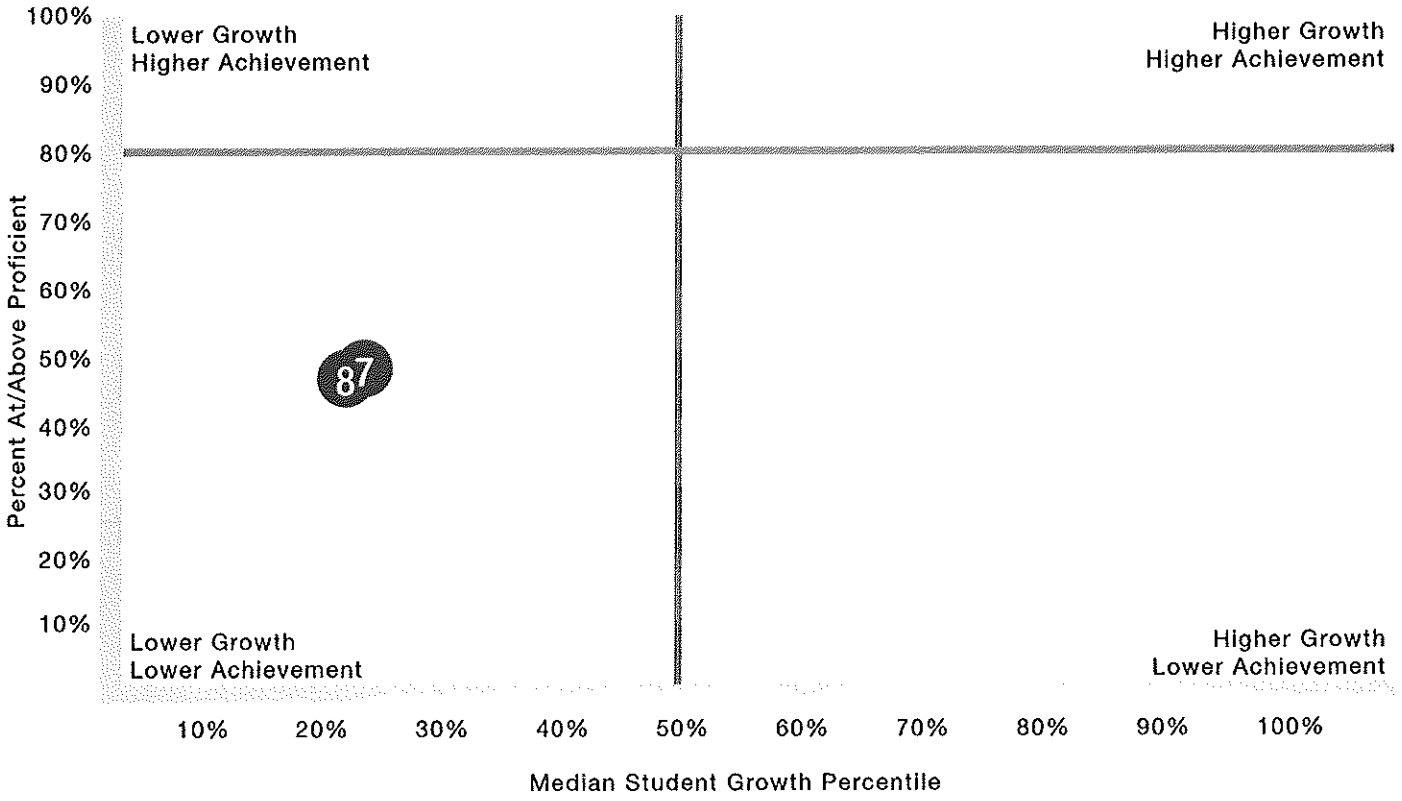


English Language Arts
Students Enrolled: 151
Students Tested: 96
Pass Percent: 45.8%
Median Growth Percent: 38.0%

INDIANA'S GROWTH MODEL (ISTEP+)

Career Academy at South Bend

Math Achievement & Growth by Grade Level (Spring 2012)



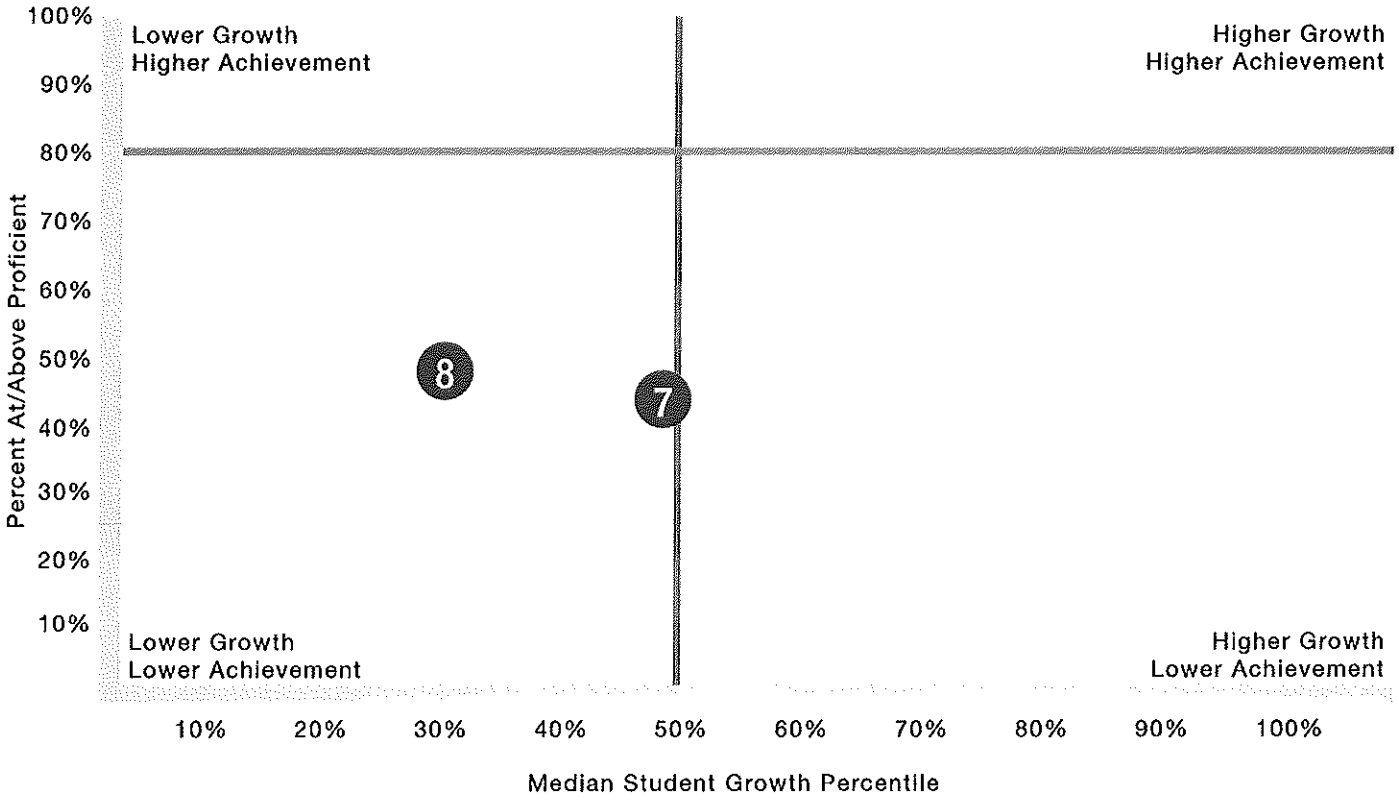
7th Grade
Students Tested: 44
Pass Percent: 47.7%
Median Growth Percent: 24.5%

8th Grade
Students Tested: 52
Pass Percent: 48.1%
Median Growth Percent: 23.0%

INDIANA'S GROWTH MODEL (ISTEP+)

Career Academy at South Bend

ELA Achievement & Growth by Grade Level (Spring 2012)



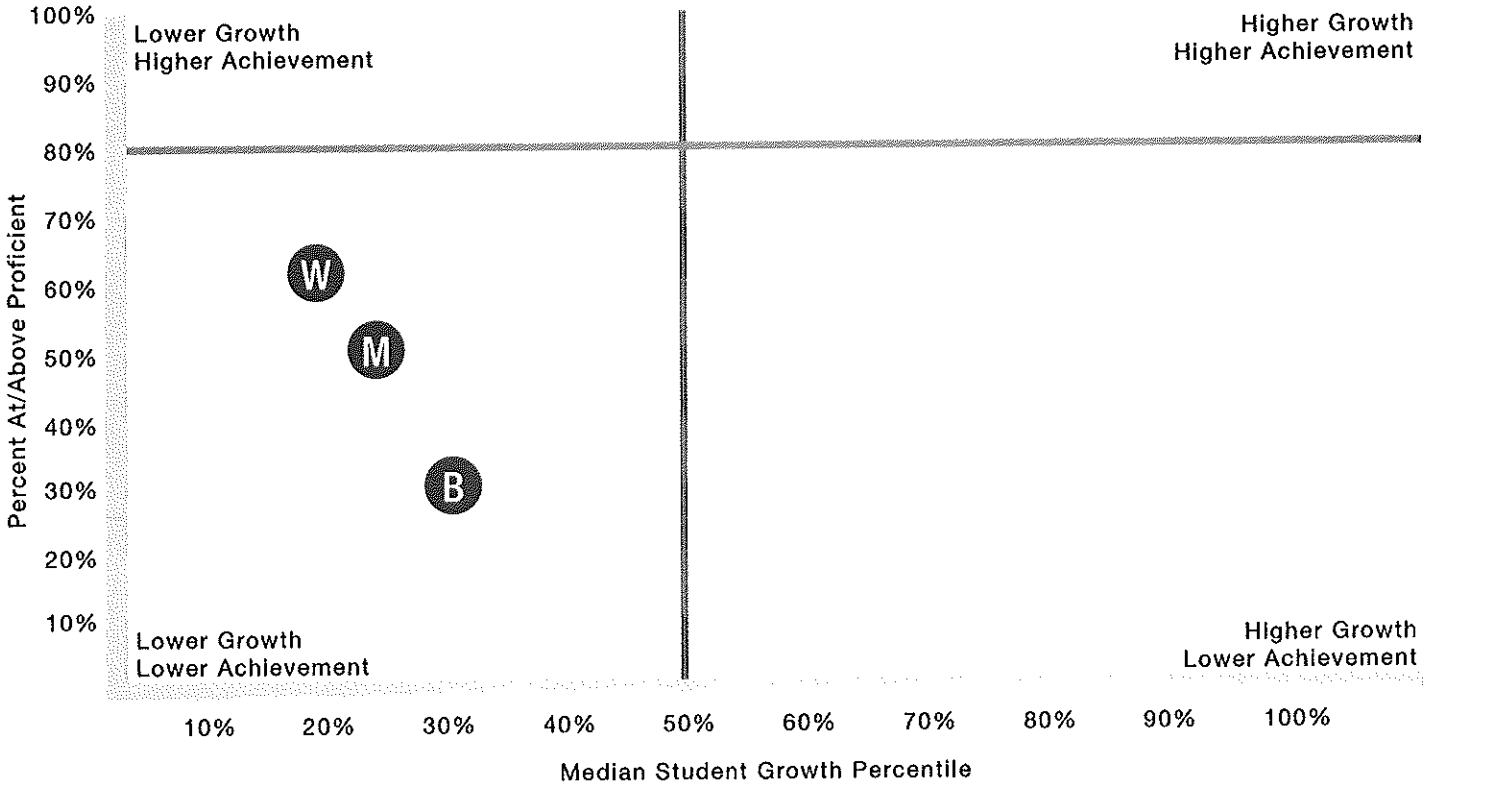
7th Grade
Students Tested: 44
Pass Percent: 43.2%
Median Growth Percent: 49.5%

8th Grade
Students Tested: 52
Pass Percent: 48.1%
Median Growth Percent: 31.0%

INDIANA'S GROWTH MODEL (ISTEP+)

Career Academy at South Bend

Math Achievement & Growth by Ethnicity (Spring 2012)



Black
Students Tested: 33
Pass Percent: 30.0%
Median Growth Percent: 32.0%

Multiracial
Students Tested: 10
Pass Percent: 50.0%
Median Growth Percent: 25.5%

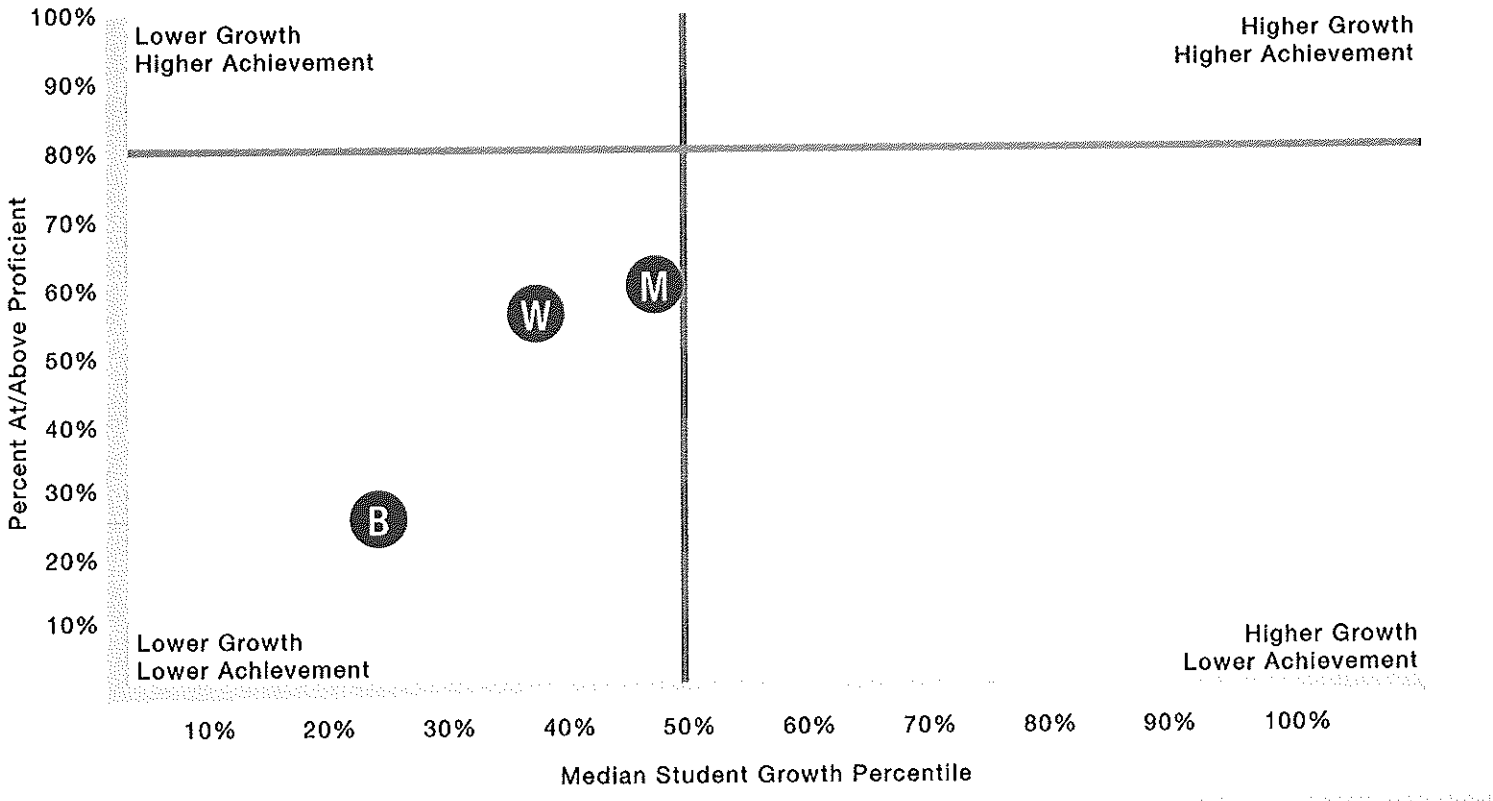
White
Students Tested: 44
Pass Percent: 61.4%
Median Growth Percent: 20.0%

* Due to Federal Privacy Laws, student performance data may not be displayed for any group of fewer than 10 students.

INDIANA'S GROWTH MODEL (ISTEP+)

Career Academy at South Bend

ELA Achievement & Growth by Ethnicity (Spring 2012)



Black
Students Tested: 33
Pass Percent: 27.3%
Median Growth Percent: 26.0%

Multiracial
Students Tested: 10
Pass Percent: 60.0%
Median Growth Percent: 48.5%

White
Students Tested: 44
Pass Percent: 56.8%
Median Growth Percent: 39.5%

* Due to Federal Privacy Laws, student performance data may not be displayed for any group of fewer than 10 students.

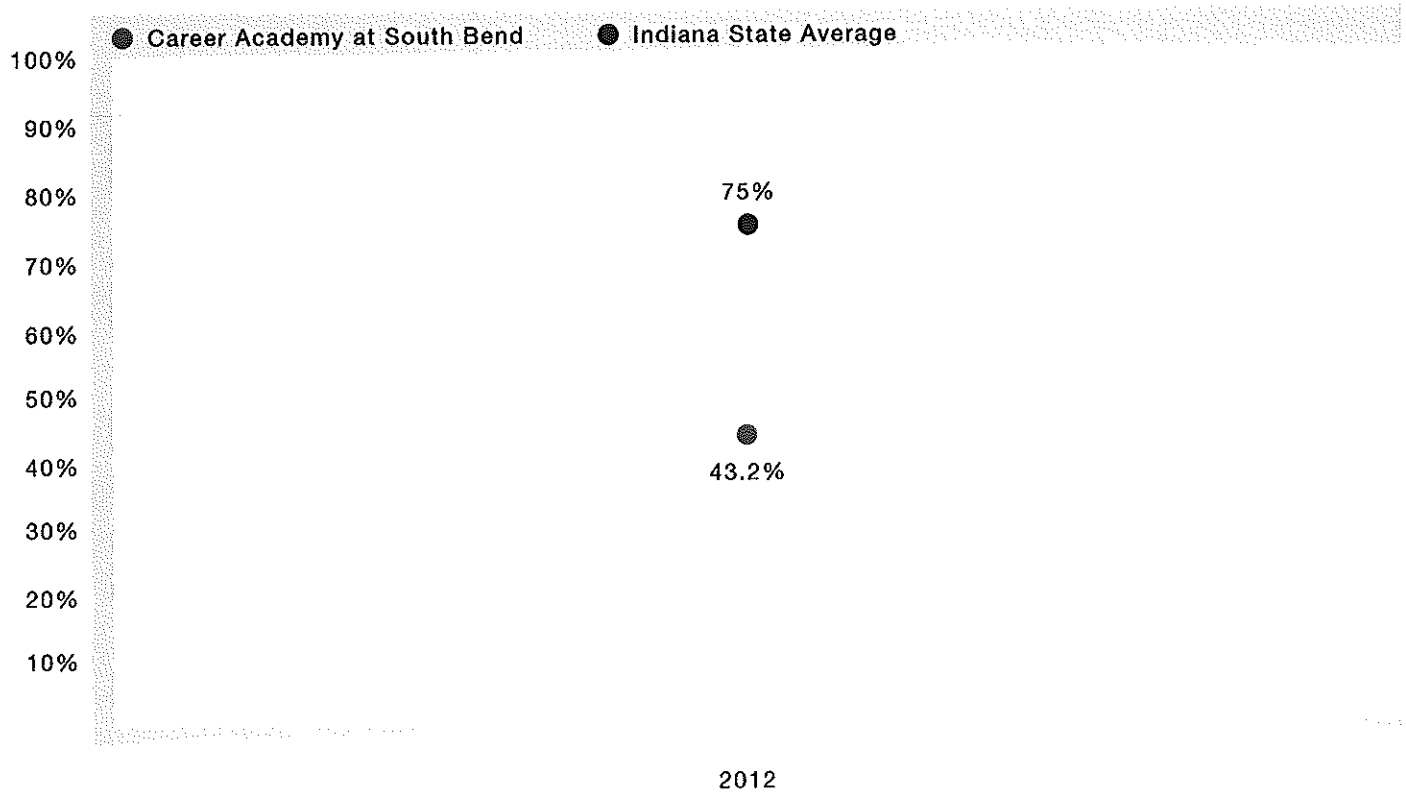
INDIANA'S GROWTH MODEL (ISTEP+)

Career Academy at South Bend

Grade Level Performance Trends

The next set of data presented are the ISTEP+ summary charts for available data from Fall 2005 through Spring 2012. The goal for these charts is to identify grade-level proficiency by tracking percentage of students passing the criterion established by the state for Math, English/Language Arts, and the percentage of students reaching this passing criterion for both math and language arts.

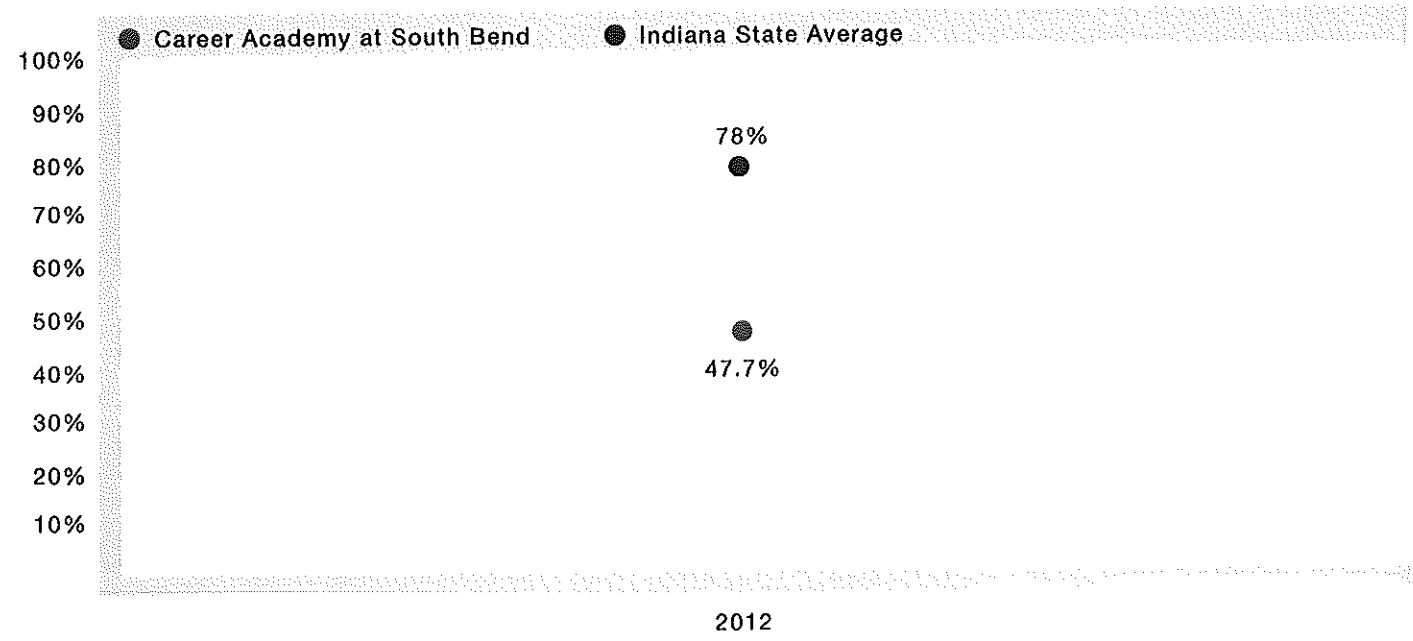
ISTEP+ Percent Passing 7th Grade ELA



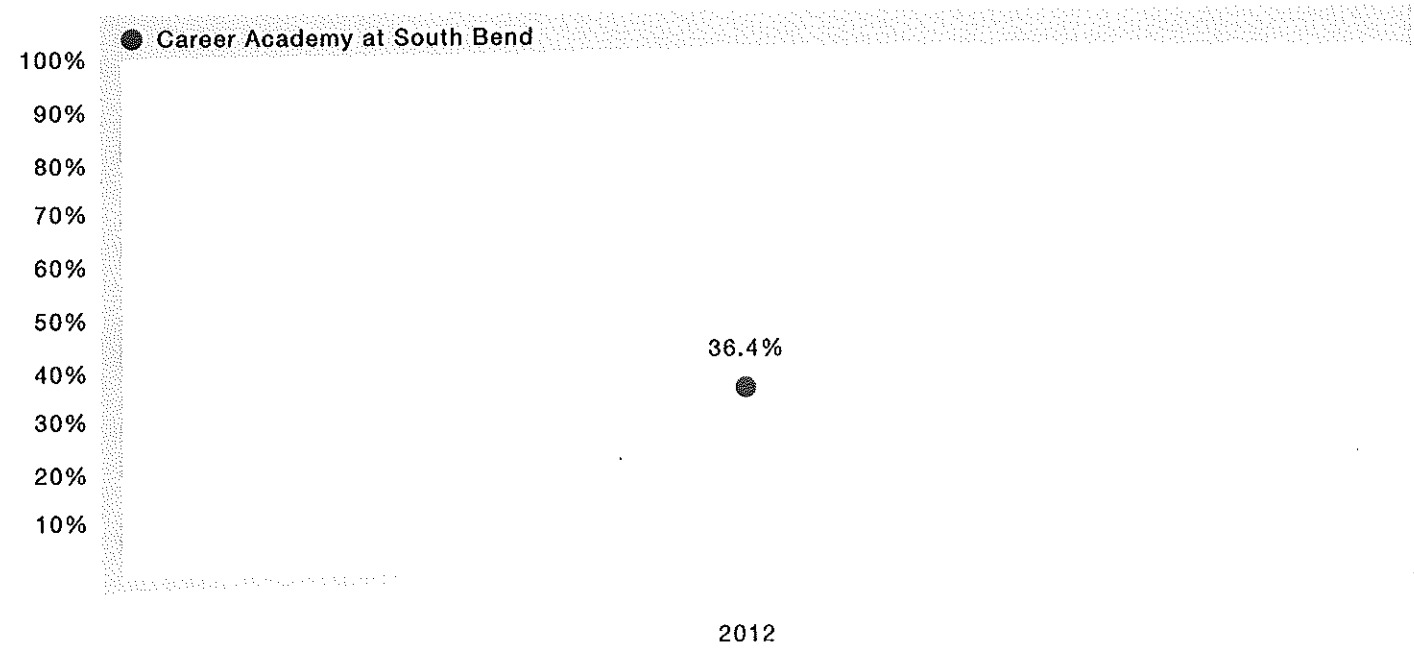
ISTEP+ PERCENT PASS BY GRADE LEVEL

Career Academy at South Bend

ISTEP+ Percent Passing 7th Grade Math



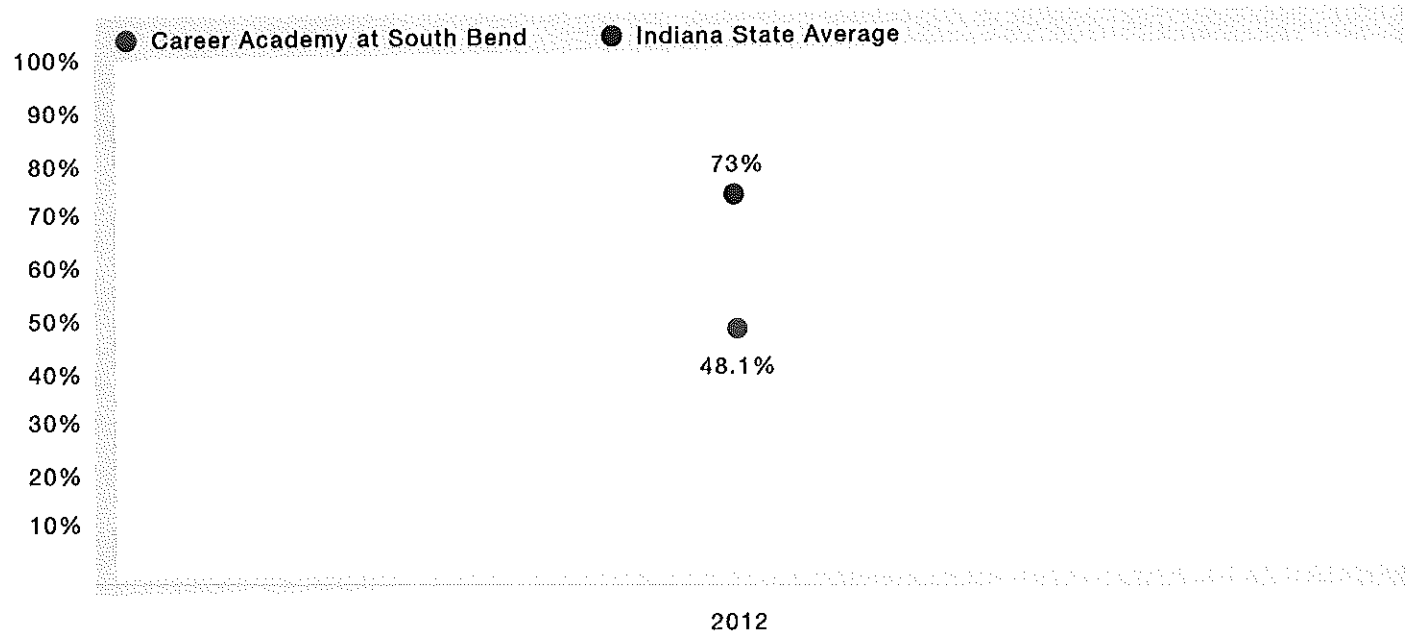
ISTEP+ Percent Passing 7th Grade ELA and Math



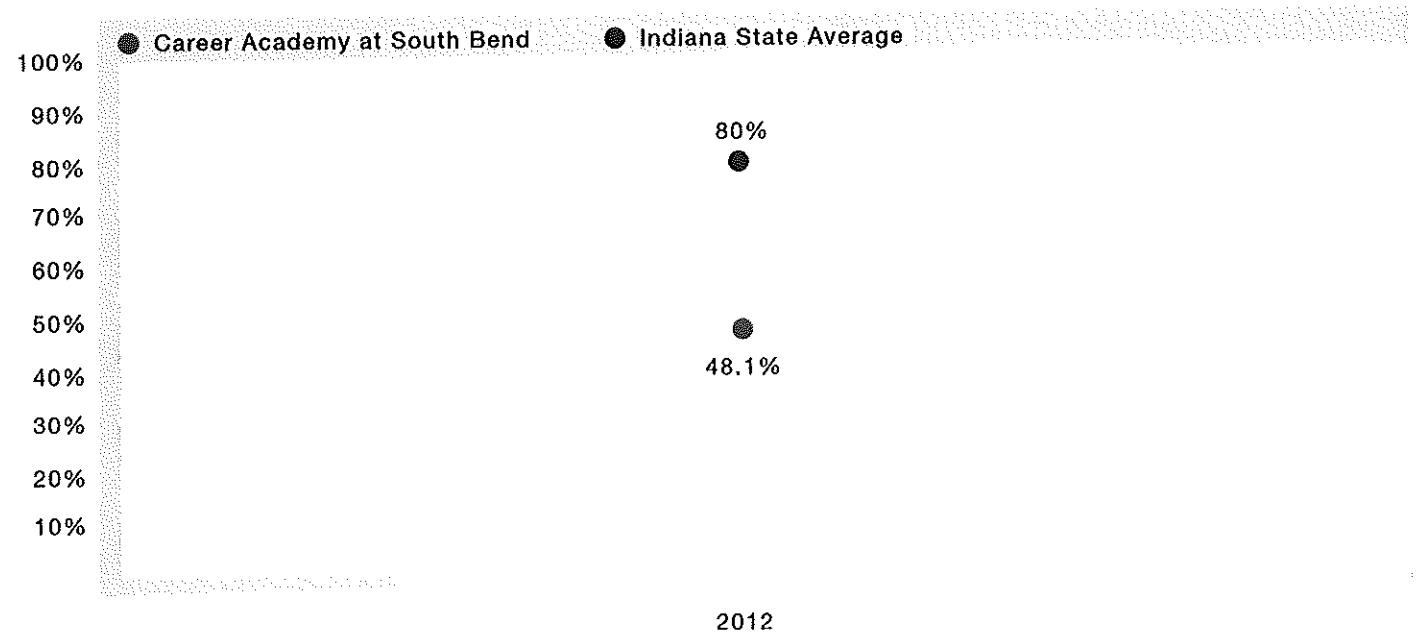
ISTEP+ PERCENT PASS BY GRADE LEVEL

Career Academy at South Bend

ISTEP+ Percent Passing 8th Grade ELA



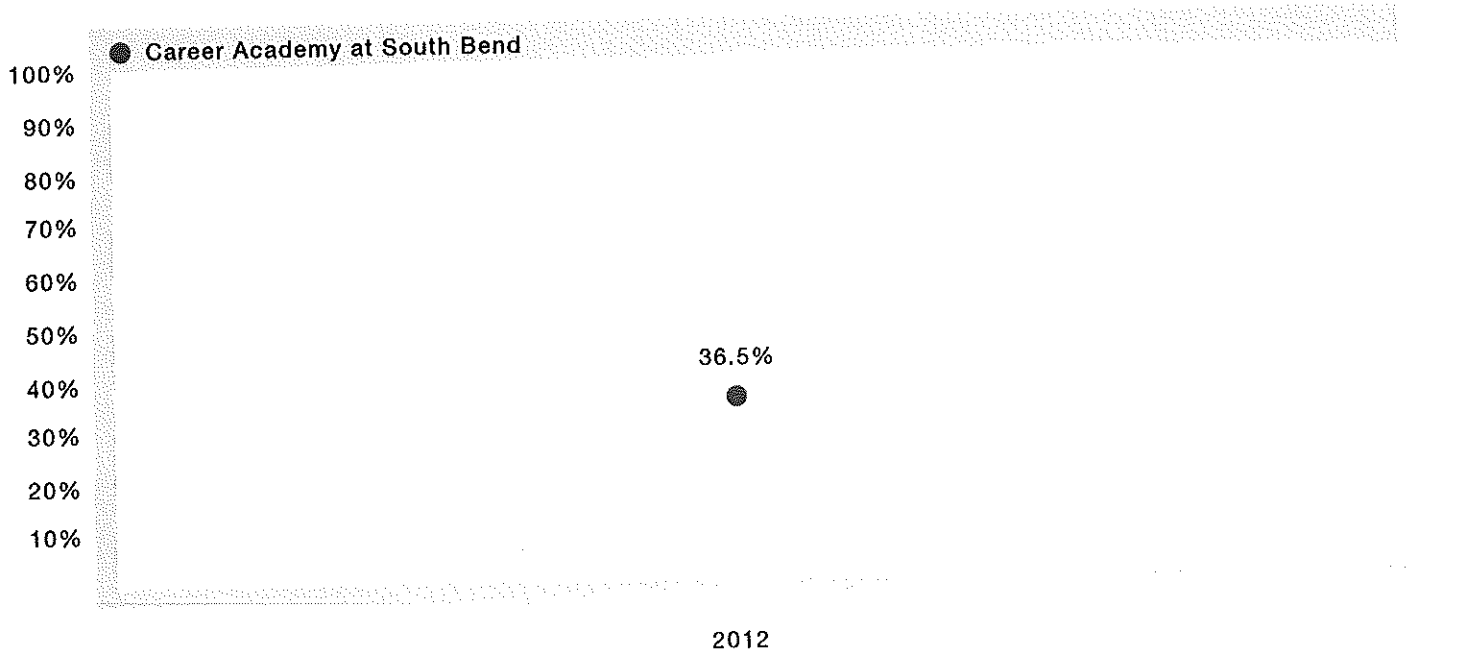
ISTEP+ Percent Passing 8th Grade Math



ISTEP+ PERCENT PASS BY GRADE LEVEL

Career Academy at South Bend

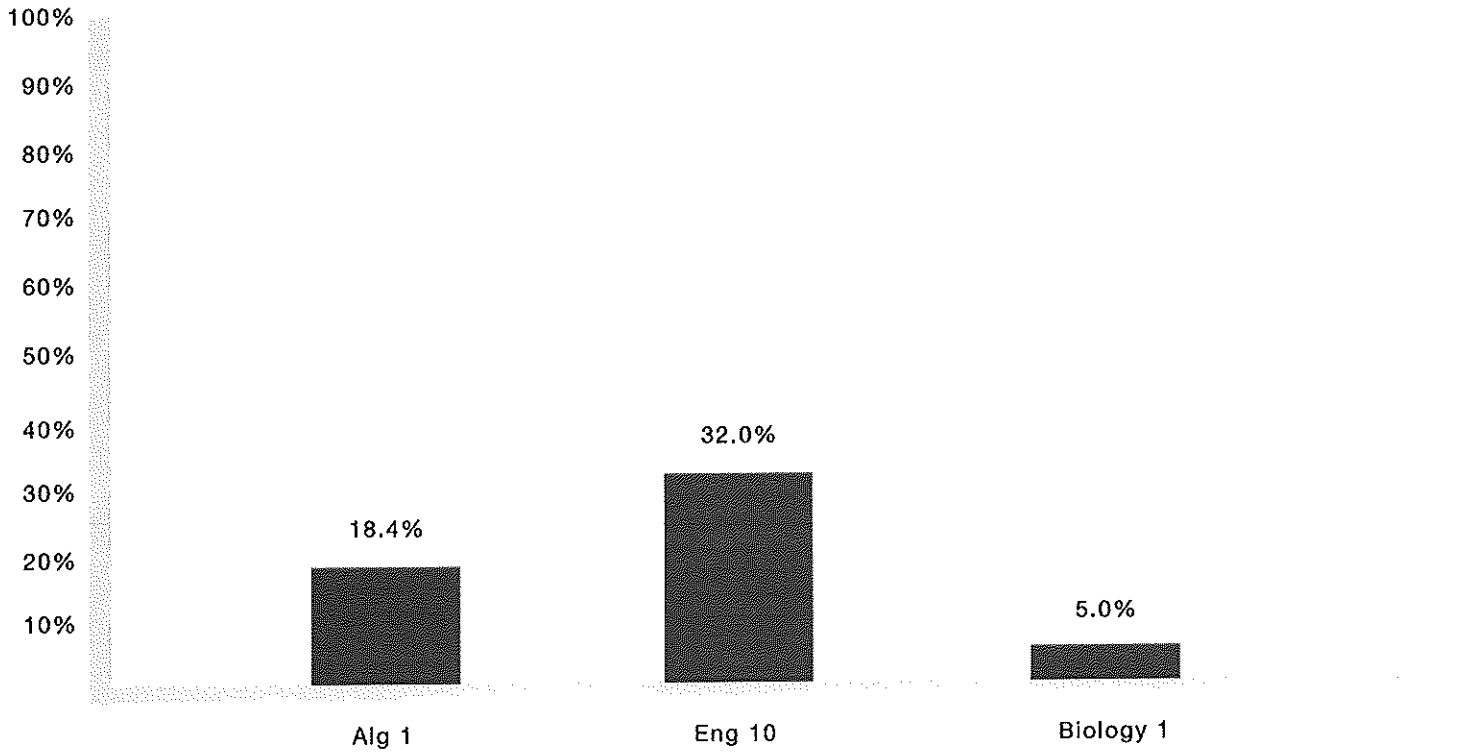
ISTEP+ Percent Passing 8th Grade ELA and Math



ADDITIONAL ASSESSMENT INDICATORS (ECA)

BSU Office *of* Charter Schools

End-of-Course Assessment (ECA) for Career Academy at South Bend (2012)



In addition to the ISTEP+ data available at the state, specific additional assessment indicators are available on a limited basis for charter schools.

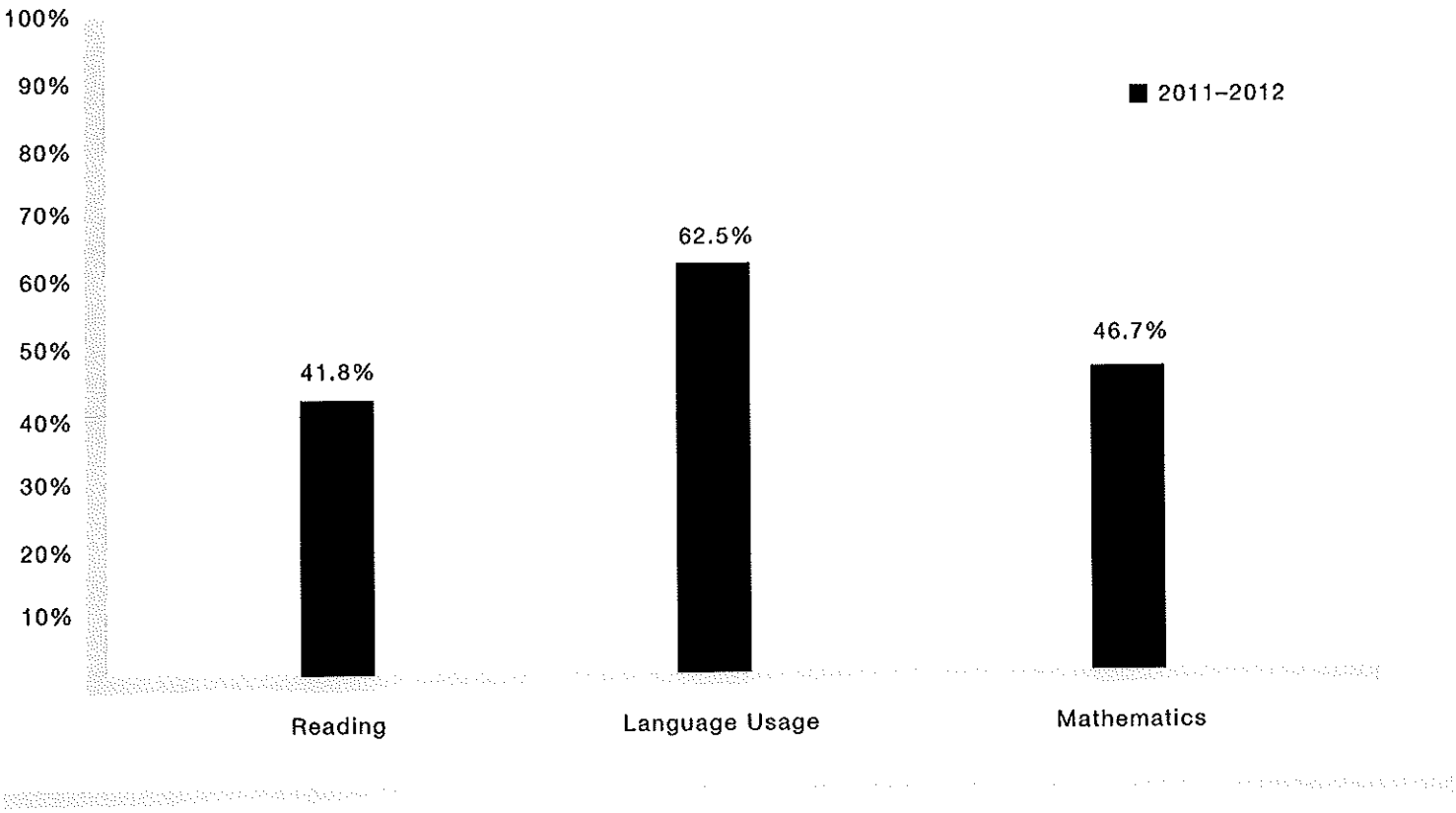
End of Course Assessments
At the high school level, there are three End of Course Assessments delivered to determine proficiency in Algebra 1, English 10, and Biology 1. The scores for these performance indicators are recent additions, and comprehensive analyses are precluded by the limited number of assessment periods to date as well as limited publication of the performances in publicly accessible outlets.

NWEA PERFORMANCE

BSU Office *of* Charter Schools

The charter schools also collect data using the NWEA assessments as part of their standard protocol. NWEA assessment data reported to date are at the school level.

% of Students Exceeding Growth Expectations (Fall–Spring)



ACKNOWLEDGEMENTS

BSU Office *of* Charter Schools

Ball State University Office of Charter Schools acknowledges the following organizations for their contribution in improving authorizing practices at the Office of Charter Schools.

National Association of Charter School Authorizers (NACSA)

Public Impact

Indiana Public Charter Schools Association (IPCSA)

Indiana Department of Education (IDOE)

Indiana Charter School Board

Indianapolis Mayors Office

Career Academy of South Bend Change of Authorizer Application to Education One, LLC (Trine University)

Attachment 7: Accountability Report Prepared By Current Authorizer

Part II: 2012-13 Report As To All BSU-Sponsored Schools

BALL STATE UNIVERSITY

2013-14

BSU Office *of* Charter Schools

BALL STATE UNIVERSITY®

For more information about this report, contact

Ball State University Office of Charter Schools
912 Teachers College, Muncie, IN 47306
Phone: (765) 285-1336
Fax: (765) 285-9873
www.bsu.edu/teachers/charter

Ball State University Office of Charter Schools Staff
Robert A. Marra, Executive Director
Lynn A. Black, Fiscal Analyst
Katie M. Briles, Compliance and Special Education Coordinator
Jamie Garwood, Academic Performance Coordinator
Georgette Davis, New School Development Coordinator
Marriette Siler, Office and Systems Coordinator

Ball State University practices equal opportunity in education and employment and is strongly and actively committed to diversity within its community.

Accountability Report 2012-2013

ACCOUNTABILITY REPORT CONTENT

BSU Office of Charter Schools

Overview

Purpose of the Accountability Report
What are Charter Schools? Ball
State Charter Schools
2012-13 Student Enrollment (BSU)
Role of Ball State University as a Charter Authorizer
Role of the Office of Charter Schools

General Information

BSU Academic Monitoring
Public Law 221 – Indiana's State Accountability Law (PL 221) Northwest Evaluation Association (NWEA)
2012-13 Demographic Data

Comprehensive Review of BSU Charter Schools

BALL UNIVERSITY

The Ball State University Office of Charter Sis pleased to provide this Accountability Report along with additional information regarding data summarized in this report online: www.bsu.edu/teachers/charter

PURPOSE OF THE ACCOUNTABILITY REPORT

of BSU Charter Schools

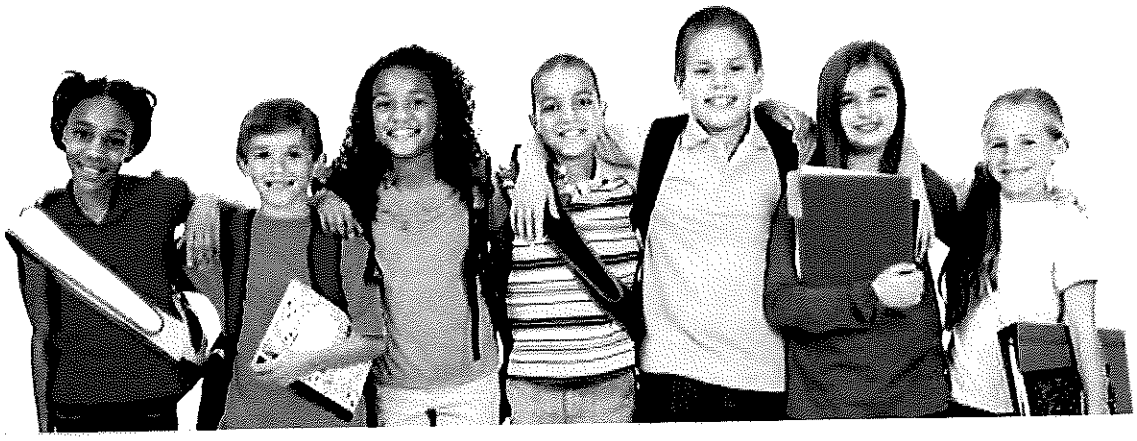
Each year, the Ball State University Office of Charter Schools (OCS) publishes an accountability report indicating the performance of its authorized charter schools. This is the eleventh annual accountability report.

The purpose of this report is to provide a performance snapshot of each charter school authorized by Ball State that operated during 2012-2013, as well as a general summary of the success of the Ball State charter program. The accountability report provides information about each school's educational philosophy and approach; demographics of the school's student population; 2012-2013 state student achievement data in the form of ISTEP+, IREAD, End of Course Assessments and graduation rates, as well as data from the Northwest Evaluation Association (NWEA) Measure of Academic Progress results.

This report summarizes the performance of each school for the academic year 2012-2013, and, when applicable, goes back five years in operation. School performance data is obtained from the state assessment program, and the ISTEP+ assessment. The Indiana Department of Education reports test results only at the school level by grade. Because individual student performance has not been made available to OCS, the office is presently unable to track individual student progress for the ISTEP+ assessment. Without individual student performance on the ISTEP+, specific gains of those individual students from year-to-year cannot be tracked.

However, using Indiana's growth model data does provide some insight into the progress of students within BSU-authorized charter schools. Growth model data for Spring 2013 shows that 89 percent of BSU-authorized schools demonstrated typical or high growth in English/Language Arts and 66 percent demonstrated typical or high growth in Math. OCS recognizes that focusing on standardized test passing rates alone does not take into account such factors as the movement of individual students into and out of schools. This student mobility is significant for some of the Ball State-authorized schools, thereby masking performance gains of students who remain at a school for a number of years. Ideally, for accuracy, the performance of a school should be based on the impact of its educational program on the same students over a reasonable period of time.

The NWEA Measures of Academic Progress has been used not only as an accountability tool, but also as a means for identifying individual students' areas of needed improvement. The percentages of students achieving their NWEA target growth rate are included here to provide another indicator of student performance, but this should not be considered a complete evaluation of the school's success in achieving growth among students.



OVERVIEW

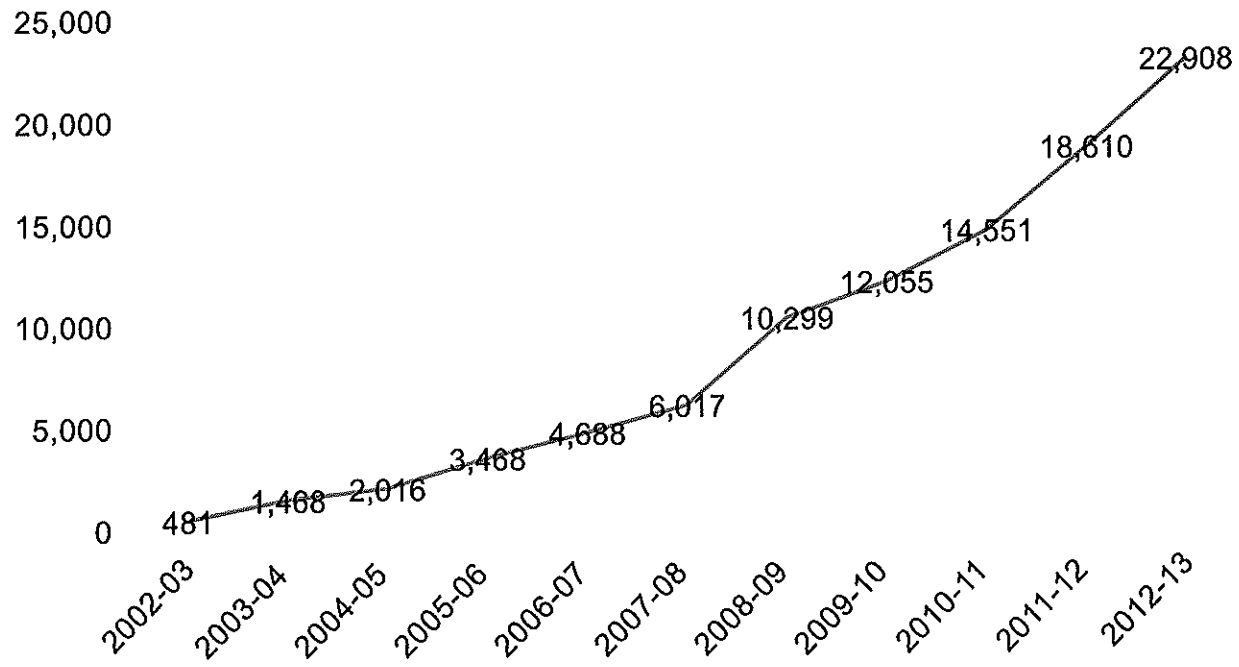
of BSU Charter Schools

What are Charter Schools?

Charter schools are independent public schools that are open to all students and are state-funded. Students do not pay tuition to attend these schools, which are designed and operated by educators, parents, and community leaders. In Indiana, charter schools may be authorized by a limited number of entities, such as the executive of a consolidated city or a state, public and private universities offering four-year degrees, and a state-wide authorizing board. Ball State has served as an authorizer since 2002.

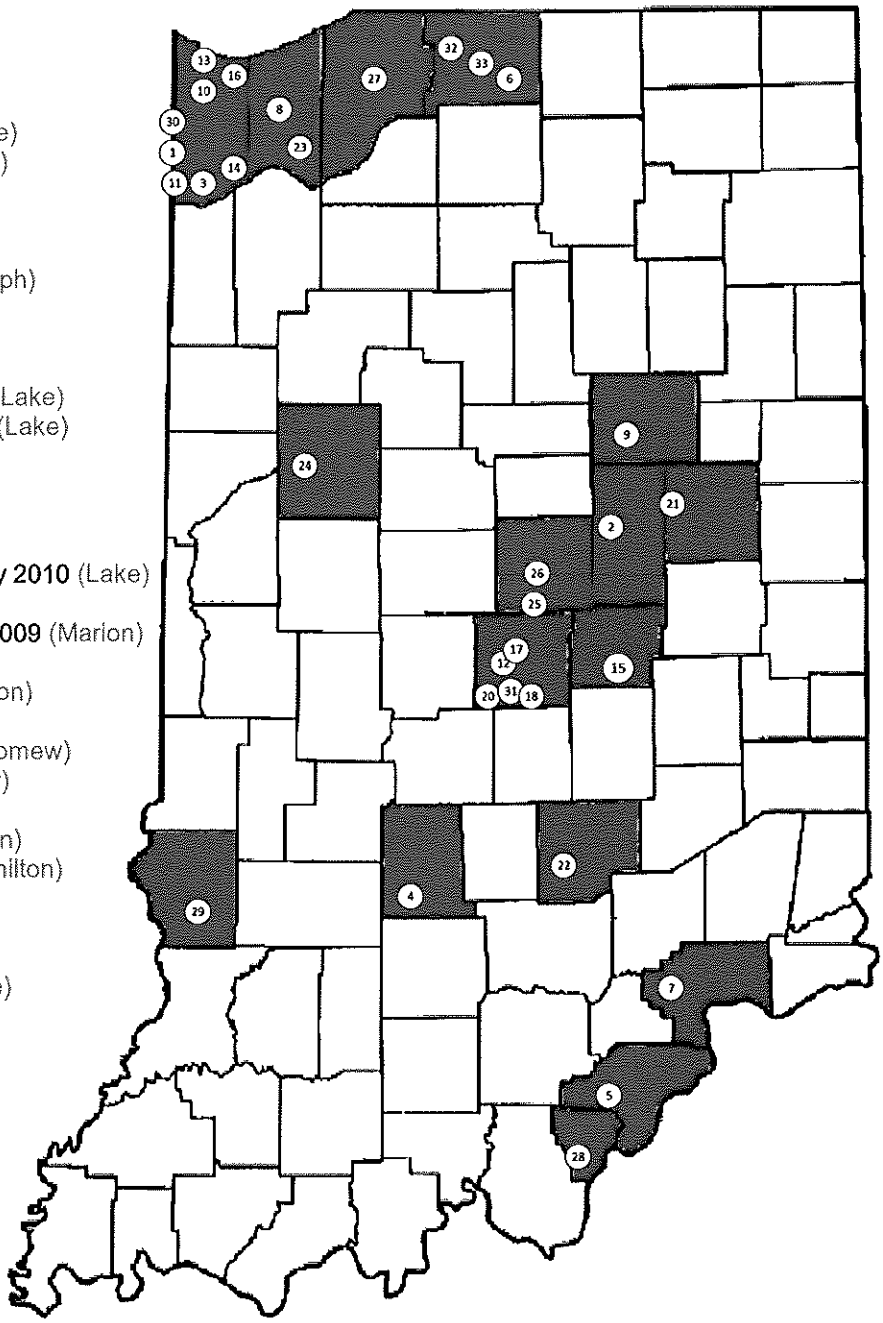
Through these schools, Ball State University helps expand the educational choices available to Indiana students. Each school authorized by the University Similar to public schools, charter schools are held to high academic standards. Each Ball State-sponsored charter school is required to fulfill the conditions set forth in its charter, as well as to achieve the performance standards set forth in Ball State's Performance Frameworks, which serves as the accountability plan for all schools sponsored by Ball State. Charter schools must participate in state testing programs, provide open enrollment to all students, hire certified teachers, publish annual reports, and comply with Indiana Access Laws. The educational programs offered in charter schools are often new and innovative approaches to instruction that can be tailored to the specific needs of students. Charter schools are allowed considerable autonomy through the Indiana Charter Law. In exchange for that autonomy, each school is held to a high level of accountability.

Enrollment Histor y of Ball State University Authorized Charter Schools (2013)



MAP OF BALL STATE CHARTER SCHOOLS

1. 21st Century Charter School at Gary 2005 (Lake)
2. Anderson Preparatory Academy 2008 (Madison)
3. Aspire Charter Academy 2008 (Lake)
4. The Bloomington Project School 2009 (Monroe)
5. Canaan Community Academy 2012 (Jefferson)
6. Career Academy of South Bend 2011 (St. Joseph)
7. Community Montessori 2002 (Floyd)
8. Discovery Charter School 2010 (Porter)
9. Dr. Robert H. Faulkner Academy 2008 (Grant)
10. East Chicago Lighthouse Charter School 2006 (Lake)
11. East Chicago Urban Enterprise Academy 2005 (Lake)
12. Fall Creek Academy 2012 (Marion)
13. Gary Lighthouse Charter School 2005 (Lake)
14. Gary Middle College 2012 (Lake)
15. Geist Montessori Academy 2006 (Hancock)
16. Hammond Academy for Science and Technology 2010 (Lake)
17. Hoosier Academy - Indianapolis 2008 (Marion)
18. Imagine Indiana Life Sciences Academy West 2009 (Marion)
19. Indiana Connections Academy 2012 (Virtual)
20. Indiana Math and Science Academy 2007 (Marion)
21. Inspire Academy 2013 (Delaware)
22. International School of Columbus 2009 (Bartholomew)
23. Neighbor's New Vistas High School 2012 (Porter)
24. New Community School 2002 (Tippecanoe)
25. Options Charter School – Carmel 2004 (Hamilton)
26. Options Charter School – Noblesville 2006 (Hamilton)
27. Renaissance Academy 2007 (La Porte)
28. Rock Creek Community Academy 2010 (Clark)
29. Rural Community Academy 2004 (Sullivan)
30. Thea Bowman Leadership Academy 2003 (Lake)
31. University Heights Preparatory Academy (formerly Fountain Square Academy) (Marion)
32. Veritas Academy 2002 (St. Joseph)
33. Xavier School of Excellence 2009 (St. Joseph)



2012-2013 STUDENT ENROLLMENT

of BSU Charter Schools

School Name	Enrollment	Attendance Rate	Mobility	# of Students Suspensions	# of Students Expelled	# of students Absent 10% or more, for any reason	% of students with Chronic Absenteeism
21st Century Charter School at Gary	480	95.1%	9.4%	116	0	113	23.54%
Anderson Preparatory Academy	931	94.6%	19.9%	267	9	42	4.51%
Aspire Charter Academy	657	94.9%	9.9%	154	3	167	25.42%
The Bloomington Project School	269	95.2%	4.7%	8	0	14	5.20%
Canaan Community Academy	93	95.1%	30.1%	0	0	7	7.53%
Career Academy at South Bend	340	93.3%	27.2%	2	6	85	25.00%
Charter School of the Dunes	464	93.0%	12.7%	*	*	207	44.61%
Community Montessori Inc	520	95.6%	6.5%	26	2	7	1.35%
Discovery Charter School	455	94.9%	3.9%	0	0	12	2.64%
Dr Robert H Faulkner Academy	194	97.3%	9.0%	0	0	1	0.52%
East Chicago Lighthouse Charter School	575	95.3%	10.9%	162	5	64	11.13%
East Chicago Urban Enterprise Academy	446	96.6%	1.8%	74	0	2	0.45%
Fall Creek Academy	472	94.2%	29.3%	159	2	121	25.64%
Gary Lighthouse Charter School	716	96.1%	8.6%	131	4	120	16.76%
Gary Middle College	211	76.9%	18.9%	24	1	201	95.26%
Geist Montessori Academy	290	98.1%	12.1%	0	0	11	3.79%
Hammond Academy of Science & Technology	469	96.1%	7.4%	27	0	7	1.49%
Hoosier Academy – Indianapolis Virtual School	3832	95.6%	49.6%	0	0	848	22.13%
Hoosier Academy – Indianapolis	540	96.5%	41.5%	*	*	105	19.44%
Hoosier Academy – Muncie	129	*	*	*	*	*	*
Imagine Indiana Life Sciences Academy - East	639	*	*	*	*	*	*
Imagine Indiana Life Sciences Academy - West	616	93.9%	21.2%	*	*	228	37.01%
Imagine MASTer Academy	716	*	*	*	*	*	*
Imagine School on Broadway	366	*	*	*	*	*	*
Indiana Connections Academy	2749	92.0%	37.1%	17	3	957	34.81%
Indiana Math and Science Academy	541	95.0%	19.6%	*	*	95	17.56%
International School of Columbus	128	*	*	*	*	*	*
Kenneth A Christmon STEMM Leadership Academy	203	*	*	*	*	*	*
LEAD College Preparatory Charter School	298	*	*	*	*	*	*
Neighbors' New Vistas High School	138	89.8%	43.4%	36	4	56	40.58%
New Community School	213	95.4%	13.5%	11	0	53	24.88%
Options Charter School - Carmel	160	92.2%	31.1%	21	1	60	37.50%
Options Charter School - Noblesville	159	93.1%	24.6%	25	4	65	40.88%
Renaissance Academy Charter School	205	97.2%	2.0%	6	0	0	0.00%
Rock Creek Community Academy	426	96.2%	5.0%	15	0	8	1.88%
Rural Community Schools Inc	135	95.3%	37.7%	10	0	13	9.63%
Thea Bowman Leadership Academy	1465	93.9%	5.5%	397	6	375	25.60%
Timothy L Johnson Academy	314	96.8%	15.4%	unavailable	unavailable	unavailable	unavailable
University Heights Preparatory Academy	245	87.8%	27.4%	24	2	124	50.61%
Veritas Academy	128	96.0%	18.9%	10	0	4	3.13%
West Gary Lighthouse Charter School	613	*	*	*	*	*	*
Xavier School of Excellence	368	93.8%	20.8%	47	0	70	19.02%

* Data no longer available for closed schools.

DIVERSITY OF BSU CHARTER SCHOOLS

Ball State is a leader in the development and promotion of educational innovations and best practices for public schools in Indiana. Serving as Indiana's first postsecondary institution authorizing public charter schools was one way the Ball State University demonstrated its commitment to redefining education and building better communities. Ball State University remains the largest postsecondary institution authorizer in the state. The chart below demonstrates the diversity found in BSU charter schools as compared to traditional public schools in the state of Indiana.

School Type Comparisons

2012-2013	Traditional Public Schools		BSU Authorized Charter Schools		
Enrollment	1,041,311		22,908		
Ethnicity	Number	Percent	Number	Percent	Range
Black	127,657	12.3	8,686	37.92	0.0 – 97%
White	746,026	71.6	10,779	47.05	0.0 – 98.2%
Hispanic	100,044	9.6	2,113	9.22	0.6 – 63.8%
Multiracial	45,452	4.4	1,118	4.88	1 – 13.9%
Asian	18,704	1.8	160	0.69	0.0 – 7.8%
American Indian	2,834	0.3	43	0.19	0.0 – 1%
Native Hawaiian/Pacific Island	594	0.1	9	0.04	0.0 – 0.2%
Lunch (Free/Reduced/Paid)					
Free	426,665	41.0	11,905	51.88	10.7 – 89.3%
Reduced	83,913	8.1	1,423	8.01	1 – 16.1%
Paid	530,723	51.0	8,790	41.84	1.6 – 100%%
Special Education	150,454	14.4	2,917	12.74	7 – 32.1%
English Language Learner	51,893	5.0	866	3.77	0 - 31.3%

INDIANA'S STATE ACCOUNTABILITY SYSTEM

Ball State University Authorized Charter Schools PL221 Status

Beginning with the 2011-12 school year, new metrics were used to assign category designations (letter grades) to schools. These new A-F grades were designed to improve transparency by allowing parents and community members to better recognize how well Indiana schools are performing. The A-F model measures proficiency and growth on state assessments, and includes college and career readiness performance indicators for high schools. A more detailed explanation of how the A-F grade is calculated for schools can be found on the IDOE website. http://www.doe.in.gov/accountability/f-accountability

Additionally, a detailed breakdown for each school is provided on their school's COMPASS profile, in the report card under the Accountability Tab. http://compass.doe.in.gov/

SCHOOL NAME	2012-2013	2011-2012	2010-2011	2009-2010
21st Century Charter School at Gary	D		A	A
Anderson Preparatory Academy	D	D	D	B
Aspire Charter Academy	D	C	C	F
The Bloomington Project School	A	C	C	F
Canaan Community Academy	A			
Career Academy at South Bend	F	F		
Charter School of the Dunes	F	F	D	C
Community Montessori	D	D	C	F
Discovery Charter School	A	A	B	
Dr Robert H Faulkner Academy	A	C	A	A
East Chicago Lighthouse	F	D	C	C
East Chicago Urban Enterprise Academy	C	D	F	C
Fall Creek Academy	F	F	C	C
Gary Lighthouse Charter School	F	F	F	C
Gary Middle College	NULL			
Geist Montessori Academy	C	A	A	A
Hammond Academy of Science & Tech	D	F	D	
Hoosier Academy - Indianapolis Virtual School	F	F	F	C
Hoosier Academy - Indianapolis	C	B	D	C
Hoosier Academy - Muncie	F	F	F	F
Imagine Indiana Life Science Academy East	F	F	F	F
Imagine Indiana Life Science Academy West	D	C	D	F
Imagine MASTer Academy	D	F	C	D
Imagine Schools on Broadway	F	F	F	F
Indiana Connections Academy	D	D	B	
Indiana Math and Science Academy	F	B	A	A
International School of Columbus	C	B		A
Kenneth A Christmon STEMM Leadership Academy	C	F	A	A
LEAD College Prep	NULL	F	D	C
Neighbors' New Vistas High School	NULL			
New Community School	C	F	C	B
Options Charter School - Carmel	F	F	C	F
Options Charter School Noblesville	F	F	F	F
Renaissance Academy Charter School	A	A	B	A
Rock Creek Community Academy	B	C	D	
Rural Community Academy	A	B	A	A
Thea Bowman Leadership Academy	D	C	C	A
Timothy L Johnson Academy	D	D	B	B
University Heights Preparatory Academy	D	D	C	D
Veritas Academy	D	A	C	C
West Gary Lighthouse Charter School	F	F	D	C
Xavier School of Excellence	F	C	C	A

INDIANA'S STATE ACCOUNTABILITY SYSTEM

BSU Authorized Charter Schools 2013 ISTEP Results

Corporation Name	ELA Percent Pass	ELA Median Growth	ELA Growth Category	Math Percent Pass	Math Median Growth	Math Growth Category	2012-13 Pass Both Math and ELA Percent
21st Century Charter School at Gary	75.4%	48.0%	Typical	80.2%	39.0%	Typical	68.4%
Anderson Preparatory Academy	69.8%	46.0%	Typical	75.4%	42.0%	Typical	62.4%
Aspire Charter Academy	65.1%	50.0%	Typical	65.7%	60.0%	Typical	51.2%
The Bloomington Project School	87.9%	57.0%	Typical	85.0%	52.0%	Typical	81.3%
Canaan Community Academy	78.7%	39.0%	Typical	83.0%	70.0%	High	70.2%
Career Academy at South Bend	48.4%	36.5%	Typical	52.7%	25.0%	Low	41.8%
Charter School of the Dunes	61.3%	47.0%	Typical	60.3%	53.5%	Typical	47.4%
Community Montessori Inc	65.6%	21.0%	Low	62.1%	31.5%	Low	52.4%
Discovery Charter School	95.0%	60.0%	Typical	92.0%	55.0%	Typical	90.3%
Dr Robert H Faulkner Academy	86.6%	59.0%	Typical	88.8%	78.0%	High	78.4%
East Chicago Lighthouse Charter School	64.1%	43.0%	Typical	67.1%	32.0%	Low	54.9%
East Chicago Urban Enterprise Academy	75.4%	49.0%	Typical	75.4%	47.0%	Typical	67.6%
Fall Creek Academy	53.8%	41.0%	Typical	50.8%	32.5%	Low	38.9%
Fountain Square Academy (University Heights)	55.1%	58.0%	Typical	70.0%	43.0%	Typical	47.1%
Gary Lighthouse Charter School	58.5%	43.0%	Typical	51.7%	34.0%	Low	38.8%
Geist Montessori Academy	82.4%	77.0%	High	71.0%	27.0%	Low	66.2%
Hammond Academy of Science & Technology	78.0%	50.0%	Typical	73.3%	40.0%	Typical	65.3%
Hoosier Academy- Indianapolis Virtual School	55.7%	18.0%	Low	55.4%	19.0%	Low	44.9%
Hoosier Academy - Indianapolis	77.0%	40.5%	Typical	79.9%	50.0%	Typical	71.0%
Hoosier Academy - Muncie	50.7%	42.0%	Typical	44.6%	47.0%	Typical	37.0%
Imagine Indiana Life Sciences Academy - East	51.1%	51.0%	Typical	52.5%	53.0%	Typical	37.0%
Imagine Indiana Life Sciences Academy - West	57.6%	42.0%	Typical	60.8%	54.0%	Typical	43.9%
Imagine MASTer Academy	64.9%	52.0%	Typical	72.1%	52.0%	Typical	59.3%
Imagine School on Broadway	51.7%	45.0%	Typical	41.7%	31.0%	Low	34.0%
Indiana Connections Academy	81.5%	47.0%	Typical	70.5%	30.0%	Low	66.3%
Indiana Math and Science Academy	54.1%	32.0%	Low	65.5%	33.5%	Low	45.2%
International School of Columbus	65.1%	23.0%	Low	72.6%	22.0%	Low	64.5%
Kenneth A Christmon STEMM Leadership Academy	69.7%	69.0%	High	65.2%	46.0%	Typical	56.2%
LEAD College Preparatory Charter School	38.4%	37.0%	Typical	27.0%	22.5%	Low	19.9%
New Community School	77.6%	47.0%	Typical	72.6%	52.0%	Typical	67.0%
Renaissance Academy Charter School	92.0%	53.5%	Typical	90.6%	54.0%	Typical	85.4%
Rock Creek Community Academy	81.6%	47.0%	Typical	84.9%	61.0%	High	76.6%
Rural Community Schools Inc	85.2%	62.0%	Typical	80.5%	46.0%	Typical	76.7%
Thea Bowman Leadership Academy	70.1%	35.0%	Typical	65.6%	19.0%	Low	54.3%
Timothy L Johnson Academy	59.5%	57.0%	Typical	47.7%	42.0%	Typical	40.5%
Veritas Academy	67.2%	38.0%	Typical	67.7%	46.0%	Typical	52.3%
West Gary Lighthouse Charter School	53.3%	36.0%	Typical	59.8%	40.0%	Typical	42.2%
Xavier School of Excellence	55.4%	43.0%	Typical	53.6%	39.0%	Typical	43.2%

INDIANA'S STATE ACCOUNTABILITY SYSTEM

BSU Authorized Charter Schools 2013 IREAD Results

Like all public schools, charter schools are required to administer the Indiana Reading Evaluation and Determination (IREAD-3) assessment. The purpose of the IREAD-3 assessment is to measure foundational reading standards developed through grade three. Overall, 90.6% of Indiana public school students passed the IREAD assessment in 2012-13. Students who do not pass the spring assessment are retested in the summer. A school's final IREAD score is updated following the summer retest. Students who do not pass the summer retest, may be retained in third grade.

	Spring 2012-13			Summer 2012-13		
Corporation Name	**IREAD TEST N**	**IREAD PASS N**	**IREAD Pass %**	**IREAD TEST N**	**IREAD PASS N**	**IREAD Pass %**
21st Century Charter School at Gary	29	25	**86.2%**	29	27	93.1%
Anderson Preparatory Academy	57	40	**70.2%**	58	48	82.8%
Aspire Charter Academy	80	71	**88.8%**	79	78	97.5%
The Bloomington Project School	32	29	**90.6%**	33	32	97.0%
Canaan Community Academy	14	13	**92.9%**	14	13	92.9%
Charter School of the Dunes	39	17	**43.6%**	43	29	67.4%
Community Montessori Inc	42	33	**78.6%**	43	38	88.4%
Discovery Charter School	52	50	**96.2%**	52	51	98.1%
Dr Robert H Faulkner Academy	35	33	**94.3%**	36	34	94.4%
East Chicago Lighthouse Charter	58	43	**74.1%**	58	53	91.4%
East Chicago Urban Enterprise Academy	43	40	**93.0%**	44	44	100.0%
Fall Creek Academy	53	34	**64.2%**	54	42	77.8%
Gary Lighthouse Charter School	53	38	**71.7%**	53	41	77.4%
Geist Montessori Academy	43	35	**81.4%**	45	38	84.4%
Hoosier Academy - Indianapolis Virtual School	204	145	**71.1%**	218	176	80.7%
Hoosier Academy - Indianapolis	44	36	**81.8%**	44	37	84.1%
Hoosier Academy - Muncie	*	*	*	*	*	*
Imagine Indiana Life Sciences Academy-East	103	42	**40.8%**	*	*	*
Imagine Indiana Life Sciences Academy-West	96	61	**63.5%**	96	75	78.1%
Imagine MASTer Academy	69	53	**76.8%**	*	*	*
Imagine Schools on Broadway	59	34	**57.6%**	*	*	*
Indiana Connections Academy	118	101	**85.6%**	118	108	91.5%
Indiana Math and Science Academy	49	36	**73.5%**	49	40	81.6%
Kenneth A Christmon STEMM Academy	26	20	**76.9%**	*	*	*
New Community School	36	30	**83.3%**	36	32	88.9%
Renaissance Academy Charter School	19	13	**68.4%**	20	16	80.0%
Rock Creek Community Academy	25	23	**92.0%**	29	29	100.0%
Rural Community Schools Inc	17	17	**100.0%**	17	17	100.0%
Thea Bowman Leadership Academy	107	92	**86.0%**	107	100	93.5%
Timothy L Johnson Academy	37	27	**73.0%**	40	36	90.0%
Veritas Academy	12	10	**83.3%**	12	11	91.7%
West Gary Lighthouse Charter	46	35	**76.1%**	*	*	*
Xavier School of Excellence	37	28	**75.7%**	37	31	83.8%

END OF COURSE ASSESSMENTS AND GRADUATION RATES

BSU Authorized Charter Schools 2013

2013 END OF COURSE ASSESSMENTS

The End of Course Assessments (ECAs) are tests developed specifically for students completing their high school level instruction in Algebra I, Biology I, or English 10. Passing both Algebra I and English 10 are required to meet the graduation testing requirement. Students are not required to pass the Biology ECA in order to graduate. Students can retake the ECAs once each semester.

School Name	2012-13 % Pass Both English 10 and Algebra 1	2012-13 % Pass English 10	2012-13 % Pass Algebra 1
21st Century Charter School at Gary	44.8	44.8	69.4
Anderson Preparatory Academy	59.8	78.2	71.4
Community Montessori	40.6	76.5	13.5
Fall Creek Academy	30.8	46.2	34.6
Hoosier Academy - Indianapolis	60.3	79.7	27.3
Indiana Connections Academy	57.1	80.7	36.4
Indiana Math & Science Academy	59.5	62.2	64.7
Options Charter School - Carmel	23.8	58.3	13.3
Options Charter School Noblesville	29.4	60	8.3
Rock Creek Community Academy	52.9	64.7	89.5
Thea Bowman Leadership Academy	50.5	59.1	50.5
University Heights Preparatory Academy	50.0	63.3	56.6
Indiana Statewide	69.4	75.0	68.8

2013 GRADUATION RATES

State law (IC 20-26-13) indicates that the graduation rate is the percentage of students within a cohort who graduate during their expected graduation year. The expected graduation year is defined as three years after a student is first considered to have entered grade 9.

The non-waiver rate excludes those graduates who received a diploma with a waiver and have not met the basic expectation that all students pass the state's ECA Graduation Examinations before exiting high school with a diploma. Students can receive graduation waivers in three ways: 1) by successfully completing Core 40 coursework; 2) by demonstrating to the satisfaction of the high school that they have met the achievement standard measured by the Graduation Examination through other means; or, 3) by completing an internship and a workforce readiness assessment.

School Name	2013 In Cohort N	2013 Total Graduate N	2013 Total Graduation Rate	2013 Non-Waiver Graduate N	2013 Non-Waiver Graduation Rate	2013 Waiver Graduate N	2013 Waiver Graduation Rate
21st Century Charter School at Gary	24	24	100.0%	21	87.5%	3	12.5%
Anderson Preparatory Academy	52	42	80.8%	40	76.9%	2	3.8%
Career Academy at South Bend	12	3	25.0%	2	16.7%	1	8.3%
Community Montessori	31	29	93.5%	21	67.7%	8	25.8%
Fall Creek Academy	16	14	87.5%	13	81.3%	1	6.3%
Gary Lighthouse Charter School	55	48	87.3%	43	78.2%	5	9.1%
Gary Middle College	40	2	5.0%	2	5.0%	0	0.0%
Hoosier Academy Virtual Charter School	53	14	26.4%	9	17.0%	5	9.4%
Hoosier Academy - Indianapolis	64	24	37.5%	19	29.7%	5	7.8%
Indiana Connections Academy	274	92	33.6%	85	31.0%	7	2.6%
Indiana Math & Science Academy	29	21	72.4%	20	69.0%	1	3.4%
International School of Columbus	12	6	50.0%	6	50.0%	0	0.0%
Neighbors' New Vistas High School	48	5	10.4%	5	10.4%	0	0.0%
Options Charter School - Carmel	55	25	45.5%	25	45.5%	0	0.0%
Options Charter School Noblesville	67	19	28.4%	19	28.4%	0	0.0%
Rock Creek Community Academy	25	21	84.0%	19	76.0%	2	8.0%
Thea Bowman Leadership Academy	113	108	95.6%	107	94.7%	1	0.9%
University Heights Preparatory Academy	44	34	77.3%	29	65.9%	5	11.4%

DIPLOMA TYPES AND DROP OUT DATA

BSU Authorized Charter Schools 2013

The Indiana General Assembly made completion of Core 40 a graduation requirement for all students beginning with those who entered high school in the fall of 2007. The legislation includes an opt-out provision for parents who determine their students could receive a greater benefit from the General Diploma. The legislation also made Core 40 a minimum college admission requirement for the state's public four-year universities beginning in the fall of 2011.

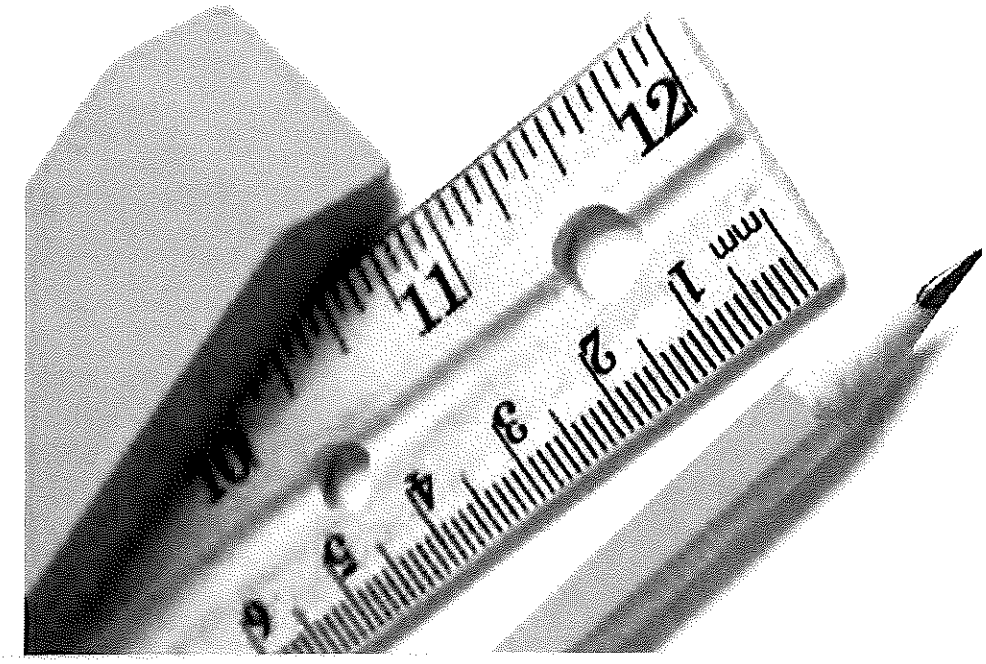
	2012-13 Diploma Quality						2012-13 Drop Out Data	
School Name	**Core %**	**Core #**	**Honors %**	**Honors #**	**General %**	**General #**	**Drop Out %**	**Drop Out #**
21st Century Charter School at Gary	75.0%	18	12.5%	3	12.5%	3	0.0%	0
Anderson Preparatory Academy	73.8%	31	26.2%	11	0.0%	0	13.5%	7
Career Academy of South Bend								
Community Montessori	41.4%	12	44.8%	13	13.8%	4	3.2%	1
Fall Creek Academy	92.9%	13	0.0%	0	7.1%	1	0.0%	0
Gary Lighthouse Charter School								
Gary Middle College								
Hoosier Academy - Indianapolis virtual								
Hoosier Academy - Indianapolis	62.5%	15	8.3%	2	29.2%	7	56.3%	36
Indiana Connections Academy*	93.5%	86	6.5%	6	0.0%	0	31.4%	86
Indiana Math & Science Academy*	100.0%	21	0.0%	0	0.0%	0	13.8%	4
International School of Columbus								
Neighbors' New Vistas High School								
Options Charter School - Carmel *	40.0%	10	4.0%	1	56.0%	14	14.5%	8
Options Charter School Noblesville *	47.4%	9	5.3%	1	47.4%	9	29.9%	20
Rock Creek Community Academy	61.9%	13	33.7%	7	4.8%	1	8.0%	2
Thea Bowman Leadership Academy	82.4%	89	15.7%	17	1.9%	2	0.90%	1
University Heights Preparatory Academy	85.3%	29	0.0%	0	14.7%	5	6.8%	3
Ball State Schools	71.34%	346		61	15.62%	46	14.86%	168
State	49.80%		33.90%		16.30%		5.60%	

NORTHWEST EVALUATION ASSOCIATION-MAP

Performance Categories

Northwest Evaluation Association (NWEA)

The Northwest Evaluation Association (NWEA), a nonprofit organization, has partnered with school corporations and educational agencies across the nation to provide comprehensive assessment since 1977. More than two million students in the United States participate in NWEA assessments each year; providing an ample body of reference data for achievement norms. With a variety of support services, resource materials, and in-depth training, NWEA is a leader in longitudinal research for student achievement and growth and school improvement. In keeping with the NWEA mission to help all students learn, the organization uses assessment data to provide instructional tools for educators. Test results are made available for immediate use, with detailed reports and interpretation of student performance. Each Ball State-authorized charter school has administered the Measure of Academic Progress (MAP) standardized test in the fall and the spring. Growth rates are determined by the change in scores from fall to spring. Target growth rates are individualized, based upon the average for comparison students in the normal group who received a similar score. The target rate for one student may not be the same as the target rate for another. The percentage of students meeting their target growth rate for each school includes only those students present for both the fall and spring testing. This is the fifth year in which NWEA assessments are part of the requirement for accountability reporting. This data provides another snapshot of student performance that is focused specifically on student growth.



NWEA

Fall 2012 – Spring 2013

School Name	% of Students meeting reading growth target	% of Students meeting language arts growth target	% of Students meeting math growth target
21st Century Charter School at Gary	59.6%	52.9%	62.7%
Anderson Preparatory Academy	60.0%	65.4%	62.8%
Aspire Charter Academy	68.6%	57.8%	75.0%
The Bloomington Project School	60.7%	61.7%	64.4%
Canaan Community Academy	38.1%	44.2%	55.8%
Career Academy at South Bend	42.9%	50.0%	41.4%
Charter School of the Dunes	51.3%	51.8%	51.8%
Community Montessori	42.2%	49.2%	42.9%
Discovery Charter School	61.8%	59.5%	68.6%
Dr Robert H Faulkner Academy	48.3%	52.9%	76.1%
East Chicago Lighthouse Charter School	46.7%	43.4%	56.3%
East Chicago Urban Enterprise Academy	68.7%	61.9%	67.3%
Fall Creek Academy	46.2%	49.3%	49.0%
Gary Lighthouse Charter School	45.4%	54.7%	47.6%
Gary Middle College	*	*	*
Geist Montessori Academy	43.7%	57.6%	49.7%
Hammond Academy of Science & Tech	59.3%	61.6%	56.9%
Hoosier Academy - Indianapolis Virtual School	*	*	*
Hoosier Academy - Indianapolis	*	*	*
Hoosier Academy - Muncie	*	*	*
Imagine Indiana Life Science Academy East	*	37.6%	50.9%
Imagine Indiana Life Science Academy West	42.5%	42.5%	45.1%
Imagine MASTer Academy	44.3%	46.9%	42.9%
Imagine Schools on Broadway	43.8%	43.9%	47.9%
Indiana Connections Academy	*	*	*
Indiana Math and Science Academy	51.7%	51.8%	54.0%
International School of Columbus	50.8%	*	43.5%
Kenneth A Christmon STEMM Leadership Academy	*	*	*
LEAD College Preparatory Academy	41.1%	43.7%	32.5%
Neighbors' New Vistas High School	62.5%	54.5%	54.5%
New Community School	52.2%	60.2%	51.5%
Options Charter School - Carmel	35.7%	44.4%	42.9%
Options Charter School Noblesville	42.9%	38.9%	77.8%
Renaissance Academy Charter School	47.8%	59.4%	68.4%
Rock Creek Community Academy	59.1%	62.7%	70.6%
Rural Community Academy	66.3%	71.6%	74.5%
Thea Bowman Leadership Academy	49.0%	45.6%	44.0%
Timothy L Johnson Academy	66.7%	63.1%	51.9%
University Heights Preparatory Academy	55.8%	*	56.2%
Veritas Academy	47.8%	47.7%	54.4%
West Gary Lighthouse Charter School	57.5%	56.1%	62.1%
Xavier School of Excellence	58.1%	53.7%	51.3%

* Hoosier Academy Muncie, Hoosier Academy Indianapolis, and Hoosier Academy Virtual School were exempt from having to administer the NWEA Assessment.
* International School of Columbus did not administer the Language Usage portion of the exam.
* No data available for Indiana Connections Academy.
* No data available for Kenneth A Christmon STEMM Academy.
* Language Usage data not available for University Heights Academy.

2012-2013 Minority Students, Free and Reduced Lunch and Special Ed Services

School Name	% of Minority Students	Received Free Lunch	Received Reduced Lunch	% Free & Reduced Lunch	Identified for Special Ed Svcs
21st Century Charter School at Gary	100.00%	20	61	87.29%	4.6%
Anderson Preparatory Academy	38.56%	150	318	65.84%	19.0%
Aspire Charter Academy	99.70%	40	54	91.78%	10.7%
The Bloomington Project School	22.30%	33	169	37.17%	20.8%
Canaan Community Academy	4.30%	2	52	44.09%	20.4%
Career Academy at South Bend	58.24%	37	120	64.71%	21.2%
Charter School of the Dunes	96.34%	19	141	69.61%	17.7%
Community Montessori	11.54%	80	357	31.35%	20.8%
Discovery Charter School	15.38%	17	361	20.66%	11.6%
Dr Robert H Faulkner Academy	59.28%	24	50	74.23%	11.9%
East Chicago Lighthouse Charter School	97.39%	52	53	90.78%	8.5%
East Chicago Urban Enterprise Academy	99.33%	26	44	90.13%	7.0%
Fall Creek Academy	94.28%	12	48	89.83%	18.0%
Gary Lighthouse Charter School	29.39%	15	18	92.65%	21.2%
Gary Middle College	99.86%	57	115	83.94%	2.8%
Geist Montessori Academy	96.68%	2	84	60.19%	16.9%
Hammond Academy of Science & Tech	17.59%	3	256	11.72%	
Hoosier Academy - Indianapolis Virtual School	72.71%	19	331	29.42%	15.4%
Hoosier Academy - Indianapolis	18.32%	279	2781	27.43%	16.7%
Hoosier Academy - Muncie	27.59%	31	420	22.22%	35.7%
Imagine Indiana Life Science Academy East	14.73%	15	66	48.84%	8.6%
Imagine Indiana Life Science Academy West	95.94%	25	41	93.34%	9.4%
Imagine MASTer Academy	97.34%	27	16	97.50%	9.5%
Imagine Schools on Broadway	46.79%	69	155	78.35%	6.8%
Indiana Connections Academy	70.49%	21	26	92.90%	11.7%
Indiana Math and Science Academy	90.17%	15	214	58.77%	12.5%
International School of Columbus	16.95%	389	1386	49.58%	10.2%
Kenneth A Christmon STEMM Leadership Academy	27.34%	11	81	36.72%	21.7%
LEAD College Preparatory Academy	60.59%	7	12	94.09%	12.1%
Neighbors' New Vistas High School	99.33%	6	21	92.95%	10.1%
New Community School	50.72%		138	0.00%	21.6%
Options Charter School - Carmel	25.35%	15	114	46.48%	32.1%
Options Charter School Noblesville	19.38%	12	100	37.50%	26.9%
Renaissance Academy Charter School	11.95%	10	86	45.91%	12.2%
Rock Creek Community Academy	25.85%	11	142	30.73%	18.8%
Rural Community Academy	19.25%	26	335	21.36%	29.6%
Thea Bowman Leadership Academy	2.96%	18	50	62.96%	6.6%
Timothy L Johnson Academy	99.80%	100	376	74.33%	11.8%
University Heights Preparatory Academy	98.41%	8	5	98.41%	16.4%
Veritas Academy	61.72%	12	38	70.31%	9.0%
West Gary Lighthouse Charter School	99.84%	36	52	91.52%	12.5%
Xavier School of Excellence	81.25%	19	119	67.66%	15.4%

2012-13 School Non-Renewals

During the 2012-2013 school year, 20 schools were up for renewal. All 20 schools requested renewal. Four schools received 5-year renewal contracts. Seven schools received 3-year conditional renewal contracts. Two schools, Hoosier Academy-Muncie and West Gary Lighthouse Charter School, initially requested renewal of their charter contracts, but subsequently advised the University of their intent not to see renewal of their charter agreements. The charter agreements for the following schools were not renewed:

- Charter School of the Dunes – On January 18, 2013, the school was advised of the University's decision not to renew its charter agreement. This decision was based upon the continued poor academic performance of the school. On January 29, 2013, the school formally requested reconsideration of the non-renewal decision, but subsequently withdrew its reconsideration request. The school is currently authorized by Calumet University of St. Joseph.

- Imagine Indiana Life Sciences Academy East – On January 18, 2013, the school was advised of the University's decision not to renew its charter agreement. This decision was based upon the continued poor academic performance of the school. On February 5, 2013, the school formally requested reconsideration of the non-renewal decision. An Appeals Hearing held on May 7, 2013 and on May 14, 2013 President Gora confirmed the non-renewal decision.

- Imagine MASTer Academy - On January 18, 2013, the school was advised of the University's decision not to renew its charter agreement. This decision was based upon the continued poor academic performance of the school. On January 28, 2013, the school formally requested reconsideration of the non-renewal decision. An Appeals Hearing held on April 28, 2013 and on May 14, 2013 President Gora confirmed the non-renewal decision. This school is currently operating as a private school, Horizon Christian Academy.

- Imagine Schools on Broadway - On January 18, 2013, the school was advised of the University's decision not to renew its charter agreement. This decision was based upon the continued poor academic performance of the school. On January 28, 2013, the school formally requested reconsideration of the non-renewal decision. An Appeals Hearing held on April 16, 2013 and on May 14, 2013 President Gora confirmed the non-renewal decision. This school is currently operating as a private school, Horizon Christian Academy.

- Kenneth A. Christmon STEMM Leadership Academy (formerly Galileo Charter School) - On January 18, 2013, the school was advised of the University's decision not to renew its charter agreement. This decision was based upon the continued poor academic performance of the school. On January 29, 2013, the school formally requested reconsideration of the non-renewal decision. An Appeals Hearing held on April 3, 2013 and on May 14, 2013 President Gora confirmed the non-renewal decision.

- LEAD College Preparatory Charter School - On January 18, 2013, the school was advised of the University's decision not to renew its charter agreement. This decision was based upon the continued poor academic performance of the school. On January 29, 2013, the school formally requested reconsideration of the non-renewal decision. An Appeals Hearing held on April 3, 2013 and on May 14, 2013 President Gora confirmed the non-renewal decision.

- Timothy L Johnson Academy - On January 18, 2013, the school was advised of the University's decision not to renew its charter agreement. This decision was based upon the continued poor academic performance of the school. On January 31, 2013, the school formally requested reconsideration of the non-renewal decision, but subsequently withdrew its reconsideration request. The school is currently authorized by Trine University.

The Executive Director of the Office of Charter Schools issues notice of the University's intent to renew or non-renew the Charter by January 15 last academic year before expiration of the then current term of the Charter. The Organizer may appeal the decision of the Executive Director not to renew the Organizer's charter. In such an event, following receipt and review of the Hearing Panel's recommendation, the President of the University shall issue final notice of the University's intent to renew or non-renew the Charter by March 1 of the same academic year.

Academic, Financial and Organizational Performance Frameworks

OCS has developed and adopted national principles and standards for quality charter school authorizing in accordance with IC 20-24-2.2-1.5. These standards are reflected in the Academic, Financial and Organizational Performance Frameworks which are the basis for school evaluation and are incorporated into the charter contract.

The Academic Performance Framework measures:

Student Progress Over Time

- Growth
- Growth of Lowest-Performing Students
- NWEA meeting reading growth target
- NWEA meeting LA target
- NWEA meeting math target
- Indiana Department of Education Median Growth Student Growth Percentile

Student Achievement

- Proficiency Status
- Proficiency Comparison: Home District
- Proficiency Comparison: Similar Schools
- Proficiency Comparison: Subgroup Proficiency
- ISTEP - passing math
- ISTEP - passing ELA
- ISTEP - passing both
- Indiana Department of Education Ranking of Schools taking ISTEP within the State, County and Local Districts
- Schools serving 3rd Grade - Percent passing the State I-READ Test
- Indiana Department of Education Median Growth Student Growth Percentile

State, Federal and Ball State Accountability

- State Accountability System
- AYP
- A-F State Accountability System
- Results under Practices Policies and Procedures for the Monitoring and Renewal of Charter Schools Authorized by Ball State University
- Charter Proposal

Post-Secondary Readiness

- SAT/ACT Performance and Participation 2.4.a.1 and 2.4.a.2
- High School Graduation 2.4.b
- Post-Secondary College Enrollment/Employment 2.4.c and 2.4.d

ACADEMIC, FINANCIAL AND ORGANIZATIONAL PERFORMANCE FRAMEWORKS

The Financial Performance Framework measures:

Near Term Indicators

- Current Ratio
- Cash to Current Liabilities
- Unrestricted Days Cash On Hand
- Enrollment Variance
- Default on Loans

Sustainability Indicators

- Total Margin
- Debt to Asset Ratio
- Cash Flow
- Debt Service Coverage Ratio

Academic, Financial and Organizational Performance Frameworks

The Organizational Performance Framework measures:

Education Reform

- Essential Terms of Charter
- Education Requirements
- Special Needs Populations (SPED, ELL)

Financial Management and Oversight

- Reporting and Compliance
- Generally Accepted Accounting Principles

Governance and Reporting

- Governance Requirements
- Management Oversight
- Reporting Requirements

Additional Legal Obligations

- Students and Employees
  - Student Rights
  - Attendance
  - Credentialing
  - Employee Rights
  - Background Checks
- School Environment
  - Facilities and Transportation
  - Health and Safety
  - Information Handling
- Additional Obligations

2012-2013 Administrative Fees Received

Ball State University receives an administrative fee of three percent (3%) of the total amount the organizer receives during the state fiscal year from basic tuition support (as defined in IC 20-43-1-8) as permitted pursuant to pursuant to IC 20-24-7-7. The chart below reflect the amounts of those fees collected from each of its charter schools during the 2012-13 fiscal year.

21st Century Charter School at Gary	$94,437.65
Anderson Preparatory Academy	$156,540.56
Aspire Charter Academy	$150,576.47
The Bloomington Project School	$39,436.29
Canaan Community Academy	$6,979.28
Career Academy at South Bend	$46,036.98
Charter School of the Dunes	$75,098.26
Community Montessori	$75,273.28
Discovery Charter School	$56,250.04
East Chicago Lighthouse Charter School	$118,563.74
East Chicago Urban Enterprise Academy	$89,464.98
Fall Creek Academy	$81,973.86
Dr. Robert H. Faulkner Academy	$35,143.68
Gary Lighthouse Charter School	$149,792.16
Gary Middle College	$20,948.82
Geist Montessori Academy	$34,217.56
Hammond Academy of Science & Tech	$79,135.31
Hoosier Academy - Indianapolis	$71,749.46
Hoosier Academy – Indianapolis Virtual School	$340,056.18
Hoosier Academy - Muncie	$17,001.93
Imagine Schools on Broadway	$79,230.33
Imagine Indiana Life Science Academy East	$135,092.52
Imagine MASTer Academy	$130,257.20
Imagine Indiana Life Science Academy West	$111,326.50
Indiana Math and Science Academy	$101,054.29
Indiana Connections Academy	$273,455.59
International School of Columbus	$15,357.82
Kenneth A Christmon STEMM Leadership Academy	$43,549.20
LEAD College Preparatory Academy	$71,303.27
Neighbors' New Vistas High School	$11,381.51
New Community School	$35,511.35
Options Charter School - Carmel	$23,552.61
Options Charter School Noblesville	$23,572.40
Renaissance Academy Charter School	$28,986.80
Rock Creek Community Academy	$57,783.64
Rural Community Academy	$21,152.49
Thea Bowman Leadership Academy	$269,796.62
Timothy L Johnson Academy	$58,471.74
University Heights Preparatory Academy	$54,418.46
Veritas Academy	$19,301.32
West Gary Lighthouse Charter School	$133,611.79
Xavier School of Excellence	$65,080.32
Total 2012-13 Administrative Fees	$3,501,924.24

2012-2013 EXPENDITURES

The Office of Charter Schools (OCS) has a staff of 6 full-time employees. In addition, the OCS reimburses for expenses the women and men who take time away from their normal activities to review the charter school proposals. These individuals are not employees of the University. The university provides office space, access to university counsel, media consultation and other university resources and personnel. In addition, it provides the following benefits to all of its schools:

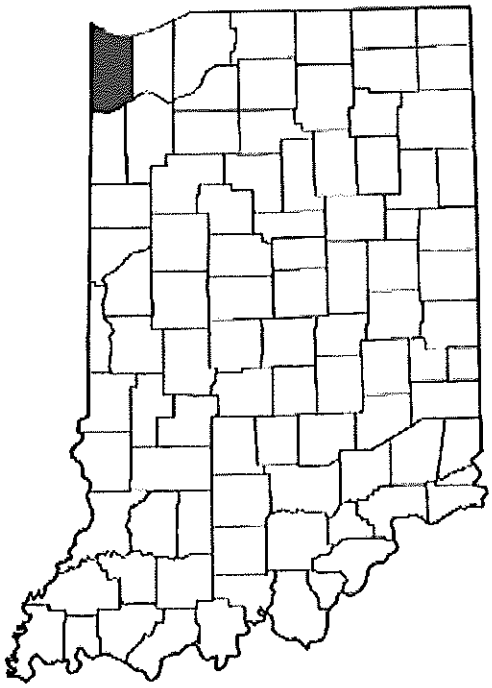
- Board Training for all its schools
- NWEA Testing for all its schools
- NWEA Regional Workshops (i.e., Regional Growth & Goals Workshop, Climbing the Data Ladder Workshop, etc.)
- Annual Fiscal Audits
- Academic Site Visits
- A new innovative web-based file/data handling system)
- Staff support with expertise in the area of finance and special education which is a unique attribute among authorizers in Indiana
- "Charter Schools: Patterns of Innovation, a New Architecture for a New Education," an immersive learning project which was completed in June of 2012
- "Best Practices in Indiana's Charter Schools," a research project which was also completed in 2012
- A Research study on Leadership in Charter Schools - collaborating with the Educational Leadership Department on this current research project

The chart below reflect the amounts of those expenditures during the 2012-13 fiscal year:

Expenditure	Amount
Salaries (2012-13 7 full-time; 3 graduate assistants)	$527,127.38
Benefits	$158,884.03
Consultants and Contract Services	$87,987.39
Legal	$51,312.50
NWEA	$243,734.20
Education Resources	$3,675.00
Board Training/Board Audits	$3,190.35
Fitzgerald Isaac - Annual Financial Audits	$284,300.00
Charter Proposal Review Panel	$3,070.15
Reconsideration Hearing Panel	$18,041.20
Office Supplies	$3,014.66
Minor Equipment	$1,590.98
Dues and Memberships	$3,000.00
Repair and Maintenance	$119.70
Printing	$10,720.41
Postage, FedEx, UPS charges	$1,112.62
Telephone	$2,730.73
Conferences/Meetings Facility Rentals and Meals	$5,894.98
Travel	$20,638.27
Overhead and Support Services	$1,067,848.00
Total 2012-13 Expenditures	**$2,497,992.55**

21ST CENTURY CHARTER SCHOOL AT GARY

of BSU Charter Schools



21st Century Charter School at Gary

ADDRESS

556 Washington Street
Gary, IN 46402

TELEPHONE

219.886.9339

WEBSITE

www.21ccharter.org/Gary/index.html

Grades Served:	K-12
Year Opened:	2005-2006
Final Year In Contract:	2013-2013
Total Enrollment	
School Leader	Angela West
Board Chair:	Alyce Butler

MISSION

To provide a rigorous education that will prepare students for college and push them to their maximum intellectual potential.

EDUCATIONAL PROGRAM

The emphasis of the educational program at 21st Century Charter School at Gary grows from the belief that all students are college-bound. From elementary through high school, the educational program rigorously prepares students using data- driven, standards-based instruction. The school's Middle College program for high school students serves an increasing number of students enrolled in college courses for dual credit.

SCHOOL-LEVEL DEMOGRAPHICS

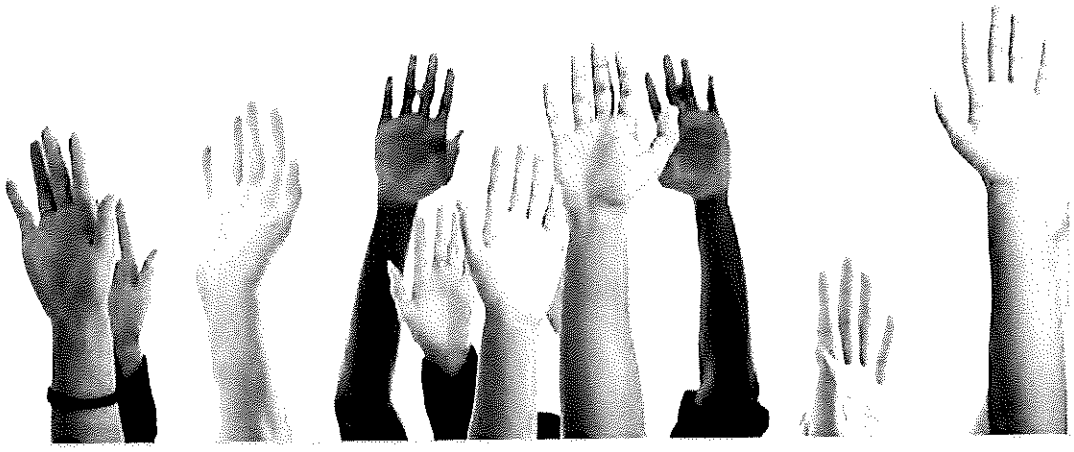
Comparative data

Ethnic Diversity

Asian	1
Black	470
Hispanic	3
Multiracial	6
White	0
Total Enrollment	480

School-Level Demographic Explanation

The data presented in the report illustrates school-level demographic data. In particular, demographic factors including special education status, free/reduced lunch status (meal plan), ethnicity, limited English proficiency, and gender distribution are presented for comparison. The data was extracted from the Indiana Department of Education.



ACHIEVEMENT RESULTS

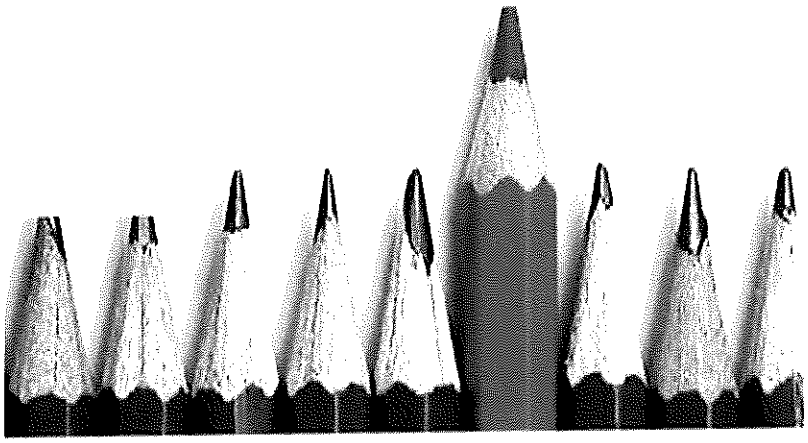
21st Century Charter School at Gary

To document achievement trends at the school, we have collected school-level ISTEP+ performance data. ISTEP+ data currently available provide two different methods for analysis. First, we provide data from the school outlining both overall school performance based on both passing percentage (for each assessment area) and median growth percentile. The median growth percentile score is an assessment that documents the average growth percentile for students, as compared to the growth rates for other children who performed at the same level in the prior year. In this way, we have an indicator for the Spring 2013 data identifying the rate of growth for the charter school students relative to a predictable rate of improvement.

21st Century Charter School at Gary (Spring, 2013)

School Year	AYP	PL 221	A-F	NWEA % meeting reading growth target	NWEA % meeting ELA growth target	NWEA % meeting math growth target	ISTEP % Passing Math	ISTEP % Passing ELA	ISTEP % Passing Math & ELA
2005-06	No	Probation	n/a	30.4%	22.4%	29.8%	24.23%	34.12%	18.31%
2006-07	No	Probation	n/a	57.4%	24.1%	26.9%	20.49%	24.93%	13.25%
2007-08	Yes	Acad Progress	n/a	47.4%	28%	44.3%	20.03%	28.99%	12.65%
2008-09 K-8	n/a	n/a	n/a	64.4%	53.3%	53.3%	48.7%	46.2%	30.6%
9-10				56.8%	23.9%	23.9%			
2009-10 K-8	Yes	Exemplary	A	60.6%	59.9%	70.2%	82.8%	66.24%	62.42%
9-10				31.4%	44.2%	58.5%			
2010-11 K-8	Yes	n/a	A	60.5%	61.3%	55.9%	80.12%	74.53%	63.4%
9-10				59.6%	36.2%	36.2%			
2011-12 K-8	n/a	n/a	C	54.4%	59.2%	58.5%	72.39%	76.07%	63.2%
9-10				27.8%	27.3%	38.9%			
2012-13				59.6%	52.9%	62.7%	80.2%	75.4%	68.4%

ISTEP+	Students Tested	Overall Passing	Median Growth	Category or Quadrant (Growth Achievement)
Math	172	80.2	39	Lower Growth/Low Achievement
English	171	75.4	48	Lower Growth/Low Achievement



ISTEP+ GROWTH MODEL

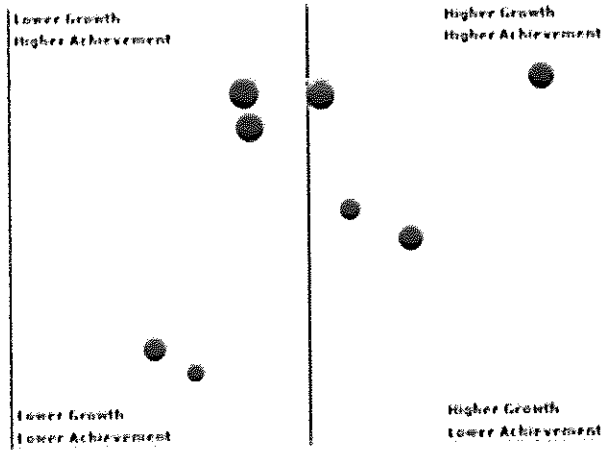
21st Century Charter School at Gary

Indiana's Growth Model has set a national standard for measuring the academic progress students make during a school year. This gives parents new levels of information on the academic achievement of their students. By measuring improvement as well as proficiency, the model ensures there is a constant focus on driving results for all students. The Indiana's Growth Model measures a student's academic growth in relationship to students with similar academic histories -- as well as the student's progress toward proficiency standards. The ISTEP+ scores are used in a new way to provide a deeper and more user-friendly look at student achievement. (Source: IDOE)

Math (Spring, 2013)

Year	# Tested	Pass %	Median Growth %
Spring 2006	131	22.1	24.0
Spring 2007	104	16.3	31.0
Spring 2008	122	53.3	57.0
Spring 2009	145	46.9	67.0
Spring 2010	149	83.2	89.0
Spring 2011	161	79.5	52.0
Spring 2012	164	72.6	40.0
Spring 2013	172	80.2	39.0

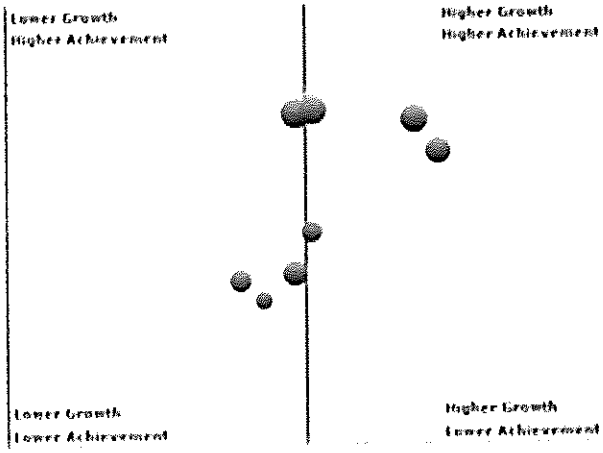
2006: Low growth, low achievement
2007: Low growth, low achievement
2008: High growth, low achievement
2009: High growth, low achievement
2010: High growth, high achievement
2011: High growth, low achievement
2012: Low growth, low achievement
2013: Low growth, low achievement



English (Spring, 2013)

Year	# Tested	Pass %	Median Growth %
Spring 2006	130	36.9	39.0
Spring 2007	105	32.4	43.0
Spring 2008	123	48.0	51.0
Spring 2009	145	38.6	48.0
Spring 2010	149	66.4	72.0
Spring 2011	161	73.9	68.0
Spring 2012	163	76.1	51.0
Spring 2013	171	75.4	48.0

2006: Low growth, low achievement
2007: Low growth, low achievement
2008: High growth, low achievement
2009: Low growth, low achievement
2010: High growth, low achievement
2011: High growth, low achievement
2012: High growth, low achievement
2013: Low growth, low achievement



ACKNOWLEDGEMENTS

BSU Office of Charter Schools

Ball State University Office of Charter Schools acknowledges the following organizations for their contribution in improving authorizing practices at the Office of Charter Schools.

National Association of Charter School Authorizers

(NACSA) Public Impact

Indiana Public Charter Schools Association (IPCSA)

Indiana Department of Education

(IDOE) Indiana Charter School

Board Indianapolis Mayor's Office

Career Academy of South Bend Change of Authorizer Application to Education One, LLC (Trine University)

Attachment 8: Financial Reports

a. The last three years of audited financial statements and management letters for the school:

Attached are the two available audited financial statements & management letters:

- **fiscal year ending 6/30/12 covering first year of operation (2011-12)**
- **fiscal year ending 6/30/13 covering second year of operation (2012-13)**

Audit for FYE 6/30/14 has not been completed. There was no audit for FYE 6/30/11 (year prior to start of operations)

b. Current fiscal year budget and year-to-date actual expenses: attached is the financial statement for January 2015 including year-to-date comparisons with 2014-15 budget

CAREER ACADEMY OF SOUTH BEND, INC.

Financial Statements

June 30, 2012

Fitzgerald | Isaac LLC
Certified Public Accountants

CAREER ACADEMY OF SOUTH BEND, INC.

Table of Contents

	Page
Independent Auditors' Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to Financial Statements	5-13
Other Reports	14

Fitzgerald | Isaac LLC
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Career Academy of South Bend, Inc.

We have audited the accompanying statement of financial position of **Career Academy of South Bend, Inc.** (the "School") as of June 30, 2012 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the School's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Career Academy of South Bend, Inc. as of June 30, 2012 and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Fitzgerald / Isaac LLC

June 12, 2013

9245 North Meridian Street, Suite 302
Indianapolis, Indiana 46260
317-844-8300 Fax 317-848-6555
www.fitzgeraldisaac.net

Member of American Institute of Certified Public Accountants

CAREER ACADEMY OF SOUTH BEND, INC.

Statement of Financial Position

Assets	June 30, 2012
Current assets:	
Cash	$ 70,211
Accounts receivable:	
State education support	505,619
Grants	4,357
Other	42,455
Unconditional promises to give	550,000
Prepaid expenses	4,445
Total current assets	1,177,087
Unconditional promises to give	800,000
Property and equipment:	
Land	159,400
Building and improvements	11,193,290
Furniture, fixtures, and equipment	918,769
Construction-in-progress	42,719
Less: accumulated depreciation	(234,155)
Property and equipment, net	12,080,023
	$ 14,057,110
Liabilities and Net Assets	
Current liabilities:	
Accounts payable and accrued expenses	145,969
Current portion of long-term debt	553,840
Total current liabilities	699,809
Accrued interest on Common School Fund loans	22,013
Long-term debt, net of current portion	11,865,249
Total liabilities	12,587,071
Net assets:	
Unrestricted	220,039
Temporarily restricted	1,250,000
Total net assets	1,470,039
	$ 14,057,110

See accompanying notes to financial statements.

CAREER ACADEMY OF SOUTH BEND, INC.

Statement of Activities

	Year Ended June 30, 2012		
Revenue, Gains and Support	Unrestricted	Temporarily Restricted	Total
State education support	$ 1,011,239	-	1,011,239
Grant revenue	456,615	1,500,000	1,956,615
Contributions	987,176	-	987,176
Student fees	13,329	-	13,329
Rent	53,068	-	53,068
Other	23,168	-	23,168
Net assets released from restriction	250,000	(250,000)	-
Total revenue, gains and support	2,794,595	1,250,000	4,044,595
Expenses			
Program services:			
Educational instruction	1,396,036	-	1,396,036
Education support	379,704	-	379,704
Administrative	914,303	-	914,303
Total expenses	2,690,043	-	2,690,043
Increase in net assets	104,552	1,250,000	1,354,552
Net assets, beginning of year	115,487	-	115,487
Net assets, end of year	$ 220,039	1,250,000	1,470,039

See accompanying notes to financial statements.

CAREER ACADEMY OF SOUTH BEND, INC.

Statement of Cash Flows

	Year Ended June 30, 2012
Operating Activities	
Change in net assets	$ 1,354,552
Adjustment to reconcile change in net assets to cash flows from operating activities:	
Depreciation	234,155
Change in:	
Accounts receivable	(1,847,231)
Prepaid expenses	(4,445)
Accounts payable and accrued expenses	167,982
Net cash used by operating activities	(94,987)
Investing Activities	
Purchase of property and equipment	(12,087,414)
Proceeds from note receivable	7,300
Net cash used by investing activities	(12,080,114)
Financing Activities	
Proceeds from Common School Fund loan	582,218
Proceeds from other long-term debt	12,268,882
Principal repayments of long-term debt	(630,511)
Net cash provided by financing activities	12,220,589
Net increase in cash	45,488
Cash, beginning of year	24,723
Cash, end of year	$ 70,211
Supplementary information:	
Cash payments for interest expense	$ 47,669

See accompanying notes to financial statements.

CAREER ACADEMY OF SOUTH BEND, INC.

Notes to Financial Statements

June 30, 2012

(1) Summary of Significant Accounting Policies

General

Career Academy of South Bend, Inc. (the "School") is a public benefit not-for-profit organization incorporated under the laws of the State of Indiana. The School operates a public charter school established under Indiana Code 20-24 and is sponsored by Ball State University. The School commenced operations as of August 2011.

Financial Statement Presentation

The School reports its financial position and activities according to three classes of assets as follows:

- Unrestricted net assets, which represent net assets that the Board of Directors has discretionary control to use in carrying on the activities of the School in accordance with its articles of incorporation and by-laws.

- Temporarily restricted net assets, which represent net assets restricted by the donor, grantor, or other outside party for a specific purpose or until the passage of time.

- Permanently restricted net assets, which represent net assets that are subject to restriction by gift instruments requiring that the principal be invested in perpetuity and only the income be expended, or assets donated with the provision that they not be sold. There were no permanently restricted net assets as of June 30, 2012.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

(1) Summary of Significant Accounting Policies, Continued

Revenue Recognition

Revenues primarily come from resources provided under the Indiana Charter Schools Act. Under the Act, the School receives an amount per student in relation to the funding received by public schools in the same geographic area. Funding from the State of Indiana is based on enrollment, and is paid in equal monthly installments in January through December following the start of the school year. Revenue is recognized in the year in which the educational services are rendered.

A portion of the School's revenue is the product of cost reimbursement grants. Accordingly, the School recognizes revenue under these grants in the amount of costs and expenses at the time they are incurred.

Accounts Receivable

Accounts receivable relate primarily to activities funded under federal grants and legislation enacted by the State of Indiana. The School believes that it is operating in compliance with regulatory requirements and as such no allowance for doubtful accounts is deemed necessary.

Contributions

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The School reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

(1) Summary of Significant Accounting Policies, Continued

Property and Equipment

Purchases of these assets and expenditures that materially increase value or extend useful lives are capitalized and are included in the accounts at cost. Routine maintenance and repairs, and minor replacement costs are charged to expense as incurred.

Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives generally are as follows:

Building and improvements	39 years
Furniture, fixtures, and equipment	3 to 7 years

Taxes on Income

Career Academy of South Bend, Inc. has received a determination from the U.S. Treasury Department stating that it qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization; however, the School would be subject to tax on income unrelated to its tax-exempt purpose. For the year ended June 30, 2012, no accounting for federal and state income taxes was required to be included in the accompanying financial statements.

Professional standards require the School to recognize a tax liability only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax liability that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax liability is recorded. The School has examined this issue and has determined that there are no material contingent tax liabilities or questionable tax positions.

Subsequent Events

The School evaluated subsequent events through June 12, 2013, the date these financial statements were available to be issued. Events occurring through that date have been evaluated to determine whether a change in the financial statements or related disclosures would be required.

(2) Accounts Receivable

Accounts receivable for state education support as of June 30, 2012 represent amounts due relating to the following sources:

Tuition support	$450,680
Special education grant	54,939
Total	$505,619

Tuition support is determined by state law and is dependent upon the geographic location of the school and is indexed to the poverty data of the enrolled students. The payment schedule is likewise determined by state law, with tuition support payable in equal monthly installments in the calendar year following the start of the school year. Upon revocation or termination of the charter, the payment streams will cease and any unpaid amounts will be applied to the unpaid balance of notes from the Indiana Common School Fund (see Note 4).

(3) Unconditional Promises to Give

Unconditional promises to give consisted of the following as of June 30, 2012:

Restricted to payment of debt obligation	$1,250,000
Restricted for building improvements	100,000
Gross unconditional promises to give	$1,350,000
Amounts due in:	
Less than one year	$ 550,000
One to five years	800,000
	$1,350,000

Unconditional promises to give have not been discounted because they either provide for interest on the unpaid balance, or are payable currently.

(4) Long-Term Debt

Long-term debt at June 30, 2012 consisted of the following:

Note payable to the City of South Bend, Indiana (and The Garatoni Family Foundation, as bond holder) relating to the issuance of Economic Development Revenue Bonds, payable $125,000 quarterly, plus interest at 4% per annum, secured by land and building	$ 1,250,000
Unsecured note payable to The Garatoni Family Foundation, due and payable December 31, 2015, plus interest at 1% per annum	3,574,346
Unsecured note payable to Larry Garatoni, due and payable December 31, 2015, plus interest at 1% per annum	6,320,612
Term note payable to Crescent Michiana Properties LLC, payable $8,520 monthly, including interest at 7.25% per annum, maturing in October 2021, secured by land and building and guaranteed by The Garatoni Family Foundation	691,913
Note payable to the Indiana Common School Fund, payable $14,555 semi-annually beginning July 1, 2013, plus interest at 4% per annum, maturing in July 2033, secured by unpaid tuition support distributions (see Note 2)	582,218
Total long-term debt	12,419,089
Less: current portion	(553,840)
	$11,865,249

(4) Long-Term Debt, Continued

Principal maturities of long-term debt are scheduled as follows:

Year Ending June 30:	
2013	$ 553,840
2014	586,987
2015	10,236,284
2016	95,989
2017	101,002
Thereafter	844,987
	$12,419,089

(5) Leases

The School leases certain items of equipment under operating leases. The equipment leases provide for monthly lease payments through April 2017. Lease expense under operating leases for the year ended June 30, 2012 was $9,516.

Future minimum lease obligations are as follows:

Year Ended June 30:	
2013	$7,076
2014	7,076
2015	7,076
2016	7,076
2017	1,328

(6) Commitments

The School operates under a charter granted by Ball State University. As the sponsoring organization, Ball State University exercises certain oversight responsibilities. Under this charter, the School has agreed to pay to Ball State University an annual administrative fee equal to 3% of state tuition support. The charter remains in effect until June 30, 2016 and is renewable thereafter by mutual consent. Payments under this charter agreement were $27,044 for the year ended June 30, 2012.

(7) Retirement Plan

Retirement benefits for certified teachers are provided by the Indiana State Teachers' Retirement Fund ("TRF"), which is a multiple-employer defined benefit retirement plan governed by the State of Indiana and administered by the Indiana Public Retirement System ("INPRS") Board. Contribution requirements of plan members are established by the INPRS Board. Under the plan, the School contributes 7.5% of compensation for all participating personnel. Employees can opt to participate in a 401(k) plan offered through Freedom Retirement Plan Consultants, Inc. in lieu of participating in TRF. The School also contributes 7.5% of compensation to the 401(k) plan. Substantially all full-time employees are eligible to participate in either plan. Retirement plan expense under both plans for the year ended June 30, 2012 was $52,302.

(8) Related Party Transactions

In the year ended June 30, 2012, the School obtained financing from The Garatoni Family Foundation and Larry Garatoni, individually (see Note 4), relating to the construction of the school facility. Larry Garatoni is the President of the School's Board of Directors and the chief executive officer of HQ Investments Corporation, which manages the investments of The Garatoni Family Foundation. The School also received contributions totaling $710,000 directly and indirectly from The Garatoni Family Foundation in the year ended June 30, 2012.

(9) Restrictions on Net Assets

Temporarily restricted net assets represent an original $1,500,000 pledge of tax increment revenues by the South Bend Redevelopment Commission toward the repayment of the School's debt obligation under the City of South Bend economic development revenue bonds (see Note 4). These amounts are considered to be temporarily restricted in that they are limited as to use in future periods. The pledge is to be paid in quarterly installments through November 2014. Payments of $250,000 were received in the year ended June 30, 2012.

(10) Risks and Uncertainties

The School provides educational instruction services to families residing in St. Joseph and surrounding counties in Indiana, and is subject to the risks of economic and competitive forces at work within this geographic area.

The majority of revenues relate to legislation enacted by the State of Indiana and grants awarded under federal programs. Changes in state or federal legislation could significantly affect the School. Additionally, the School is subject to monitoring and audit by state and federal agencies. Those examinations may result in additional liability to be imposed on the School.

Financial instruments that potentially subject the School to concentrations of credit risk consist principally of receivables from the State of Indiana. At June 30, 2012, substantially all of the accounts receivable balance was due from the State of Indiana.

(11) Functional Expense Reporting

The costs of providing the educational activities have been summarized on a functional basis in the statement of activities. Accordingly, certain expenses have been allocated among the programs and services benefited. Following is a summary of expenses comprising each program and service for the year ended June 30, 2012:

	Educational Instruction	Education Support	Administrative
Salaries and wages	$ 668,319	99,908	349,828
Employee benefits	157,693	25,946	118,218
Professional services	40,029	21,959	107,715
Staff development and recruitment	41,045	-	-
Authorizer oversight fee	-	-	27,044
Food costs	-	36,355	-
Travel/transportation service	1,680	1,240	10,094
Equipment and rentals	10,595	-	24,796
Repairs and maintenance	-	4,399	-
Classroom, kitchen and office supplies	132,490	16,521	23,458
Occupancy	107,816	157,275	-
Advertising	-	-	58,183
Depreciation	234,155	-	-
Interest	-	-	162,951
Insurance	-	-	5,086
Other	2,214	16,101	26,930
	$1,396,036	379,704	914,303

CAREER ACADEMY OF SOUTH BEND, INC.

Other Reports

Year Ended June 30, 2012

The report presented herein was prepared in addition to another official report prepared for the School as listed below:

Supplemental Audit Report of Career Academy of South Bend, Inc.

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools.*

CAREER ACADEMY OF SOUTH BEND, INC.

Financial Statements

June 30, 2013 and 2012

Fitzgerald | Isaac LLC
Certified Public Accountants

CAREER ACADEMY OF SOUTH BEND, INC.

Table of Contents

	Page
Independent Auditor's Report	1-2
Statements of Financial Position	3
Statements of Activities	
Year Ended June 30, 2013	4
Year Ended June 30, 2012	5
Statements of Cash Flows	6
Notes to Financial Statements	7-17
Other Reports	18

Fitzgerald | Isaac LLC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Career Academy of South Bend, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of **Career Academy of South Bend, Inc.**, which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

9245 North Meridian Street, Suite 302
Indianapolis, Indiana 46260
317-844-8300 Fax 317-848-6555
www.fitzgeraldisaac.net

Member of American Institute of Certified Public Accountants

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Career Academy of South Bend, Inc. as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Fitzgerald / Associates

Indianapolis, IN
April 24, 2014

CAREER ACADEMY OF SOUTH BEND, INC.

Statements of Financial Position

Assets	June 30 2013	2012
Current assets:		
Cash	$ 557,242	70,211
Accounts receivable:		
State education support	-	505,619
Grants	30,436	4,357
Other	188	42,455
Unconditional promises to give	550,000	550,000
Prepaid expenses	-	4,445
Total current assets	1,137,866	1,177,087
Unconditional promises to give	250,000	800,000
Property and equipment:		
Land	159,400	159,400
Building and improvements	11,509,803	11,193,290
Furniture, fixtures, and equipment	1,141,242	918,769
Construction-in-progress	-	42,719
Less: accumulated depreciation	(726,840)	(234,155)
Property and equipment, net	12,083,605	12,080,023
	$ 13,471,471	14,057,110
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	$ 84,129	145,969
Current portion of long-term debt	557,876	553,840
Refundable advances	51,119	-
Total current liabilities	693,124	699,809
Accrued interest on Common School Fund loans	-	22,013
Long-term debt, net of current portion	12,047,178	11,865,249
Total liabilities	12,740,302	12,587,071
Net assets (deficiency):		
Unrestricted	(118,831)	220,039
Temporarily restricted	850,000	1,250,000
Total net assets	731,169	1,470,039
	$ 13,471,471	14,057,110

See accompanying notes to financial statements.

CAREER ACADEMY OF SOUTH BEND, INC.

Statement of Activities

	Year Ended June 30, 2013		
Revenue and Support	Unrestricted	Temporarily Restricted	Total
State education support	$ 2,555,786	-	2,555,786
Grant revenue	720,812	-	720,812
Contributions	11,003	100,000	111,003
Student fees	47,473	-	47,473
Rent	137,299	-	137,299
Other	29,173	-	29,173
Net assets released from restriction	500,000	(500,000)	-
Total revenue and support	4,001,546	(400,000)	3,601,546
Expenses			
Program services:			
Educational instruction	2,858,682	-	2,858,682
Education support	391,960	-	391,960
Administrative	1,166,676	-	1,166,676
Total expenses	4,417,318	-	4,417,318
Change in net assets before non-operating activity	(415,772)	(400,000)	(815,772)
Non-Operating Activity			
Gain due to changes in legislative funding	76,902	-	76,902
Change in net assets	(338,870)	(400,000)	(738,870)
Net assets, beginning of year	220,039	1,250,000	1,470,039
Net assets (deficiency), end of year	$ (118,831)	850,000	731,169

See accompanying notes to financial statements.

CAREER ACADEMY OF SOUTH BEND, INC.

Statement of Activities

	Year Ended June 30, 2012		
Revenue and Support	Unrestricted	Temporarily Restricted	Total
State education support	$ 1,011,239	-	1,011,239
Grant revenue	456,615	1,500,000	1,956,615
Contributions	987,176	-	987,176
Student fees	13,329	-	13,329
Rent	53,068	-	53,068
Other	23,168	-	23,168
Net assets released from restriction	250,000	(250,000)	-
Total revenue and support	2,794,595	1,250,000	4,044,595
Expenses			
Program services:			
Educational instruction	1,553,311	-	1,553,311
Education support	222,429	-	222,429
Administrative	914,303	-	914,303
Total expenses	2,690,043	-	2,690,043
Change in net assets	104,552	1,250,000	1,354,552
Net assets, beginning of year	115,487	-	115,487
Net assets, end of year	$ 220,039	1,250,000	1,470,039

See accompanying notes to financial statements.

CAREER ACADEMY OF SOUTH BEND, INC.

Statements of Cash Flows

	Year Ended June 30	
Operating Activities	2013	2012
Change in net assets	$ (738,870)	1,354,552
Adjustment to reconcile change in net assets to cash flows from operating activities:		
Depreciation	492,685	234,155
Gain due to changes in legislative funding	(76,902)	-
Change in:		
Accounts receivable	(756,086)	(1,847,231)
Prepaid expenses	4,445	(4,445)
Unconditional promises to give	550,000	-
Accounts payable and accrued expenses	(22,496)	167,982
Refundable advances	51,119	-
Net cash used by operating activities	(496,105)	(94,987)
Investing Activities		
Purchase of property and equipment	(496,267)	(12,087,414)
Proceeds from note receivable	-	7,300
Net cash used by investing activities	(496,267)	(12,080,114)
Financing Activities		
Proceeds from Common School Fund loan	711,220	582,218
Proceeds from other long-term debt, net of repayments	768,183	11,638,371
Net cash provided by financing activities	1,479,403	12,220,589
Net increase in cash	487,031	45,488
Cash, beginning of year	70,211	24,723
Cash, end of year	$ 557,242	70,211
Supplementary information:		
Cash payments for interest expense	$ 209,509	47,669

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

General

Career Academy of South Bend, Inc. (the "School") is a public benefit not-for-profit organization incorporated under the laws of the State of Indiana. The School operates a public charter school established under Indiana Code 20-24 and is sponsored by Ball State University.

Financial Statement Presentation

The School reports its financial position and activities according to three classes of assets as follows:

- Unrestricted net assets, which represent net assets that the Board of Directors has discretionary control to use in carrying on the activities of the School in accordance with its articles of incorporation and by-laws.

- Temporarily restricted net assets, which represent net assets restricted by the donor, grantor, or other outside party for a specific purpose or until the passage of time.

- Permanently restricted net assets, which represent net assets that are subject to restriction by gift instruments requiring that the principal be invested in perpetuity and only the income be expended, or assets donated with the provision that they not be sold. There were no permanently restricted net assets as of June 30, 2013 or 2012.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

(1) Summary of Significant Accounting Policies, Continued

Revenue Recognition

Revenues primarily come from resources provided under the Indiana Charter Schools Act. Under the Act, the School receives an amount per student in relation to the funding received by other public schools in the same geographic area. Funding from the State of Indiana is based on enrollment, and is paid in equal monthly installments in January through December following the start of the academic school year. Revenue is recognized in the year in which the educational services are rendered.

A portion of the School's revenue is the product of cost reimbursement grants. Accordingly, the School recognizes revenue under these grants in the amount of costs and expenses at the time they are incurred.

Accounts Receivable

Accounts receivable relate primarily to activities funded under federal grants and legislation enacted by the State of Indiana. The School believes that it is operating in compliance with regulatory requirements and as such no allowance for doubtful accounts is deemed necessary.

Contributions

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The School reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restriction.

Reclassifications

Certain figures for 2012 that were previously reported have been reclassified for comparative purposes.

(1) Summary of Significant Accounting Policies, Continued

Property and Equipment

Purchases of these assets and expenditures that materially increase value or extend useful lives are capitalized and are included in the accounts at cost. Routine maintenance and repairs, and minor replacement costs are charged to expense as incurred.

Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives generally are as follows:

Building and improvements	39 years
Furniture, fixtures, and equipment	3 to 7 years

Taxes on Income

Carcer Academy of South Bend, Inc. has received a determination from the U.S. Treasury Department stating that it qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization; however, the School would be subject to tax on income unrelated to its tax-exempt purpose. For the year ended June 30, 2013 and 2012, no accounting for federal and state income taxes was required to be included in the accompanying financial statements.

Professional accounting standards require the School to recognize a tax liability only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax liability that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax liability is recorded. The School has examined this issue and has determined that there are no material contingent tax liabilities or questionable tax positions. The tax year ending 2012 is open to audit for both federal and state purposes.

Subsequent Events

The School evaluated subsequent events through April 24, 2014, the date these financial statements were available to be issued. Events occurring through that date have been evaluated to determine whether a change in the financial statements or related disclosures would be required.

(2) Legislative Funding Changes

In 2013, the Indiana legislature passed amendments to the Indiana Charter Schools Act that altered the manner in which charter schools are funded. Prior to enactment, charter schools received funding in the calendar year following the start of the academic school year. As such, the School followed the practice of recognizing at June 30 a receivable for payments to be made to the School in the subsequent July through December time period, which represented amounts due for services rendered. Effective July 1, 2013, school funding will be paid following the State of Indiana fiscal year of July to June, which is similar to the School's academic year. As part of this legislative amendment, the funding owed to the School under prior legislation for the period July to December 2013 will no longer be paid.

In the same session, the Indiana legislature appropriated funding from the Indiana general fund to repay Indiana Common School Fund loans and accrued interest outstanding as of June 30, 2013 on behalf of charter schools. The School has applied for and received repayment of its indebtedness under these obligations as of June 30, 2013.

The effect of these legislative amendments has been reflected in the accompanying statement of activities as a gain due to changes in legislative funding and is comprised of the following:

Repayment of Common School Fund loans	$1,293,438
Repayment of accrued interest on Common School Fund loans	61,357
	1,354,795
Elimination of School funding	(1,277,893)
	$ 76,902

(3) Accounts Receivable

Accounts receivable for state education support as of June 30, 2012 represented amounts due relating to the following sources:

Tuition support	$450,680
Special education grant	54,939
Total	$505,619

Tuition support is determined by state law and is dependent upon the geographic location of the school and is indexed to the poverty data of the enrolled students and other factors. The payment schedule is likewise determined by state law, with tuition support payable in equal monthly installments in the calendar year following the start of the academic school year. Effective July 1, 2013, tuition support will be paid in monthly installments that coincide with the School's fiscal year (see Note 2).

(4) Unconditional Promises to Give

Unconditional promises to give consisted of the following as of June 30, 2013 and 2012:

	2013	2012
Restricted to payment of debt obligation	$750,000	1,250,000
Restricted for building improvements	50,000	100,000
Gross unconditional promises to give	$800,000	1,350,000
Amounts due in:		
Less than one year	$550,000	550,000
One to five years	250,000	800,000
	$800,000	1,350,000

Unconditional promises to give have not been discounted because they either provide for interest on the unpaid balance, or are payable currently.

(5) Long-Term Debt

Long-term debt at June 30, 2013 and 2012 consisted of the following:

	2013	2012
Note payable to the City of South Bend, Indiana (and The Garatoni Family Foundation, as bond holder) relating to the issuance of Economic Development Revenue Bonds, payable $125,000 quarterly, plus interest at 4% per annum, secured by land and building	$750,000	1,250,000
Unsecured note payable to The Garatoni Family Foundation, due and payable December 31, 2015, plus interest at 1% per annum	3,552,946	3,574,346
Unsecured note payable to Larry Garatoni, due and payable December 31, 2015, plus interest at 1% per annum	7,664,035	6,320,612
Term note payable to Crescent Michiana Properties LLC, payable $8,520 monthly, including interest at 7.25% per annum, maturing in October 2021, secured by land and building and guaranteed by The Garatoni Family Foundation	638,073	691,913
Note payable to the Indiana Common School Fund, payable $14,555 semi-annually beginning July 1, 2013, plus interest at 4% per annum, maturing in July 2033, secured by unpaid tuition support distributions	-	582,218
Total long-term debt	12,605,054	12,419,089
Less: current portion	(557,876)	(553,840)
	$12,047,178	11,865,249

(3) Accounts Receivable

Accounts receivable for state education support as of June 30, 2012 represented amounts due relating to the following sources:

Tuition support	$450,680
Special education grant	54,939
Total	$505,619

Tuition support is determined by state law and is dependent upon the geographic location of the school and is indexed to the poverty data of the enrolled students and other factors. The payment schedule is likewise determined by state law, with tuition support payable in equal monthly installments in the calendar year following the start of the academic school year. Effective July 1, 2013, tuition support will be paid in monthly installments that coincide with the School's fiscal year (see Note 2).

(4) Unconditional Promises to Give

Unconditional promises to give consisted of the following as of June 30, 2013 and 2012:

	2013	2012
Restricted to payment of debt obligation	$750,000	1,250,000
Restricted for building improvements	50,000	100,000
Gross unconditional promises to give	$800,000	1,350,000
Amounts due in:		
Less than one year	$550,000	550,000
One to five years	250,000	800,000
	$800,000	1,350,000

Unconditional promises to give have not been discounted because they either provide for interest on the unpaid balance, or are payable currently.

(5) Long-Term Debt, Continued

Principal maturities of long-term debt are scheduled as follows:

Year Ending June 30:	
2014	$ 557,876
2015	312,214
2016	11,283,859
2017	71,891
2018	77,279
Thereafter	301,935
	$12,605,054

(6) Leases

The School leases certain items of equipment under operating leases. The equipment leases provide for monthly lease payments through April 2017. Lease expense under operating leases for the years ended June 30, 2013 and 2012 was $7,076 and $9,516.

Future minimum lease obligations are as follows:

Year Ended June 30:	
2014	$7,076
2015	7,076
2016	7,076
2017	1,328

(7) Commitments

The School operates under a charter granted by Ball State University. As the sponsoring organization, Ball State University exercises certain oversight responsibilities. Under this charter, the School has agreed to pay to Ball State University an annual administrative fee equal to 3% of state tuition support. The charter remains in effect until June 30, 2016 and is renewable thereafter by mutual consent. Payments under this charter agreement were $32,513 and $27,044 for the years ended June 30, 2013 and 2012, respectively.

(8) Retirement Plan

Retirement benefits for certified teachers are provided by the Indiana State Teachers' Retirement Fund ("TRF"), which is a multiple-employer defined benefit retirement plan governed by the State of Indiana and administered by the Indiana Public Retirement System ("INPRS") Board. Contribution requirements of plan members are established by the INPRS Board. Under the plan, the School contributes 7.5% of compensation for all participating personnel. Employees can opt to participate in a 401(k) plan offered through Freedom Retirement Plan Consultants, Inc. in lieu of participating in TRF. The School also contributes 7.5% of compensation to the 401(k) plan. Substantially all full-time employees are eligible to participate in either plan. Retirement plan expense under both plans for the years ended June 30, 2013 and 2012 was $111,986 and $52,302, respectively.

(9) Related Party Transactions

In the years ended June 30, 2013 and 2012, the School obtained financing from The Garatoni Family Foundation and Larry Garatoni, individually (see Note 5), relating to the construction of the school facility. Larry Garatoni is the President of the School's Board of Directors and the chief executive officer of HQ Investments Corporation, which manages the investments of The Garatoni Family Foundation. The School also received contributions totaling $710,000 directly and indirectly from The Garatoni Family Foundation in the year ended June 30, 2012.

(10) Restrictions on Net Assets

Temporarily restricted net assets as of December 31, 2013 and 2012 were available for the following purposes:

	2013	2012
Debt obligation repayment	$750,000	1,250,000
Purchase of welding equipment	100,000	-
	$850,000	1,250,000

(10) Restrictions on Net Assets, Continued

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose. In 2013 and 2012, the program purpose restrictions were accomplished by the repayment of required debt obligations.

Temporarily restricted net assets for debt obligation repayment represent an original $1,500,000 pledge of tax increment revenues by the South Bend Redevelopment Commission toward the repayment of the School's debt obligation under the City of South Bend economic development revenue bonds (see Note 5). These amounts are considered to be temporarily restricted in that they are limited as to use in future periods. The pledge is to be paid in quarterly installments through November 2014. Payments of $500,000 and $250,000 were received in the years ended June 30, 2013 and 2012.

(11) Risks and Uncertainties

The School provides educational instruction services to families residing in St. Joseph and surrounding counties in Indiana, and is subject to the risks of economic and competitive forces at work within this geographic area.

The majority of revenues relate to legislation enacted by the State of Indiana and grants awarded under federal programs. Changes in state or federal legislation could significantly affect the School. Additionally, the School is subject to monitoring and audit by state and federal agencies. Those examinations may result in additional liability to be imposed on the School.

Financial instruments that potentially subject the School to concentrations of credit risk consist principally of receivables from the State of Indiana. At June 30, 2013 and 2012, substantially all of the accounts receivable balance was due from the State of Indiana.

(12) Refundable Advances

The School has been awarded grants from the Indiana Department of Education to provide educational instruction. The grants are considered to be exchange transactions. Accordingly, revenue is recognized when earned and expenses are recognized as incurred. At June 30, 2013, the School had refundable grant advances in excess of expenditures of $51,119.

(13) Functional Expense Reporting

The costs of providing the educational activities have been summarized on a functional basis in the statement of activities. Accordingly, certain expenses have been allocated among the programs and services benefited. Following is a summary of expenses comprising each program and service for the years ended June 30, 2013 and 2012:

	2013		
	Educational Instruction	Education Support	Administrative
Salaries and wages	$1,103,018	176,810	463,805
Employee benefits	283,310	38,586	121,860
Professional services	312,720	26,031	119,259
Staff development and recruitment	18,213	-	-
Authorizer oversight fee	-	-	32,513
Food costs	-	15,674	-
Travel/transportation service	12,207	16,814	14,083
Equipment and rentals	14,895	-	31,077
Repairs and maintenance	-	59,909	-
Classroom, kitchen and office supplies	400,828	38,032	33,614
Occupancy	217,116	-	-
Advertising	-	-	84,564
Depreciation	492,685	-	-
Interest	-	-	209,638
Insurance	-	-	21,288
Other	3,690	20,104	34,975
	$2,858,682	391,960	1,166,676

(13) Functional Expense Reporting, Continued

	2012		
	Educational Instruction	Education Support	Administrative
Salaries and wages	$ 668,319	99,908	349,828
Employee benefits	157,693	25,946	118,218
Professional services	40,029	21,959	107,715
Staff development and recruitment	41,045	-	-
Authorizer oversight fee	-	-	27,044
Food costs	-	36,355	-
Travel/transportation service	1,680	1,240	10,094
Equipment and rentals	10,595	-	24,796
Repairs and maintenance	-	4,399	-
Classroom, kitchen and office supplies	132,490	16,521	23,458
Occupancy	265,091	-	-
Advertising	-	-	58,183
Depreciation	234,155	-	-
Interest	-	-	162,951
Insurance	-	-	5,086
Other	2,214	16,101	26,930
	$1,553,311	222,429	914,303

CAREER ACADEMY OF SOUTH BEND, INC.

Other Reports

Year Ended June 30, 2013

The report presented herein was prepared in addition to another official report prepared for the School as listed below:

Supplemental Audit Report of Career Academy of South Bend, Inc.

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools.*

Career Academy South Bend

January 2015 Financial Results

Significant Items

Receipts:

1. **Total receipts were $330k, which is $51k under budget.**
   Outside IT training revenue bugeted for $40k, hasn't started yet

Expenses:

1. **Total expenses before depreciation were $397k, $116k under budget.**
   Significant differences from budget were:
   - **Employee Salaries under $74k - bonus payout budgeted for January not paid until February**
   - **Employee Benefits under $58k - less people on insurance than budgeted; and taxes on bonus payout not until February**

Net Loss before Depreciation and Amortization was $(67k), $65k under budget

Schedules Included:

1. **Revenue and Expense Summary - P&L**
2. **Balance Sheet**
3. **Statement of Cash Flows**
4. **Loan Activity**
5. **Monthly Revenue and Expense Summary**
6. **Monthly Revenue and Expense Detail**

Career Academy South Bend

Revenue and Expense Summary - P&L

For the Month Ending January 31, 2015

	Month				Year-to-Date		
Fiscal	**Actual**	**Budget**	**A+/(-) B**	**Notes:**	**Actual**	**Budget**	**A+/(-) B**
Receipts (Revenue):							
Basic grants and other	315,405	335,360	(19,955)		2,217,673	2,235,713	(18,040)
Private donations	10,000	-	10,000		1,022,389	100,000	922,389
Rental income	-	1,408	(1,408)		7,800	9,858	(2,058)
Other misc income	4,695	44,400	(39,705)		35,392	136,264	(100,872)
Total Receipts	330,100	381,168	(51,069)		3,283,254	2,481,836	801,418
Expenses:							
Employee salaries	259,479	333,439	(73,960)		1,637,918	1,619,970	17,948
Employee benefits	37,162	95,097	(57,935)		330,636	502,438	(171,802)
Prof/Technical/Training/Other	2,998	2,810	188		28,647	40,466	(11,818)
Facility and utilities	30,921	32,404	(1,483)		199,444	244,431	(44,987)
Professional & Outside Services	21,254	18,809	2,445		181,730	155,551	26,179
Textbooks	3,457	1,007	2,450		56,522	68,730	(12,207)
Supplies and Materials	19,194	10,841	8,353		222,791	108,440	114,350
Advertising	8,659	4,375	4,284		57,305	21,250	36,055
Other Expenses	3,896	3,371	525		30,459	34,002	(3,543)
Interest	10,157	10,734	(578)		75,918	75,401	517
Total Expenses	397,175	512,887	(115,712)		2,821,369	2,870,678	(49,308)
Net Earnings (Loss) Before Depreciation and Amortization	(67,076)	(131,719)	64,643		461,885	(388,842)	850,727
Depreciation and Amortization	39,549	45,409	(5,860)		323,992	332,214	(8,222)
Net Earnings (Loss)	(106,625)	(177,128)	70,503		137,893	(721,056)	858,949
Memo Adjustments -							
- QZAB matching funds	-	-	-		-	-	-
- TIF Grant	-	-	-		253,750	253,750	-
Net Earnings (Loss) after adjustmer	(106,625)	(177,128)	70,503		391,643	(467,306)	858,949

Career Academy South Bend

Balance Sheet

June 2014 Through January 2015

	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15
Assets:								
Cash	617,134	520,173	343,241	126,687	(13,816)	175,882	125,164	27,799
Petty Cash	100	100	100	100	100	100	100	100
Total Cash	617,234	520,273	343,341	126,787	(13,716)	175,982	125,264	27,899
Accounts Receivable	-	-	-	-	-	-	(26,111)	(26,111)
Prepaid Other	(8,634)	(9,155)	(13,579)	(11,796)	(13,685)	(16,661)	(16,320)	(16,320)
Total Short Term Assets	608,600	511,118	329,762	114,991	(27,401)	159,321	82,832	(14,533)
Property, Plant & Equipment - Net of Depreciation								
Land	159,400	159,400	159,400	159,400	159,400	159,400	159,400	159,400
Building	11,516,633	11,516,633	11,537,941	11,582,686	11,591,136	11,612,360	11,671,230	11,743,821
Furniture	568,366	568,366	568,366	568,366	568,366	568,366	568,366	568,366
Equipment	514,970	514,970	514,970	527,750	534,688	559,303	562,282	565,347
Computer Hardware & Software	331,314	434,934	437,723	449,323	449,323	449,323	449,323	449,323
Construction-In-Process	-	-	-	-	-	-	-	21,425
PP&E Cost	13,090,684	13,194,304	13,218,401	13,287,526	13,302,914	13,348,753	13,410,602	13,507,683
Less: Accumulated Depreciation	(1,250,504)	(1,300,573)	(1,350,356)	(1,400,562)	(1,445,176)	(1,489,834)	(1,534,948)	(1,574,497)
Total PP&E - Net	11,840,180	11,893,731	11,868,045	11,886,964	11,857,738	11,858,918	11,875,654	11,933,186
Total Assets	12,448,779	12,404,850	12,197,807	12,001,954	11,830,337	12,018,239	11,958,486	11,918,653
Liabilities:								
Accounts Payable	56,561	56,561	56,561	56,561	56,561	56,561	56,561	56,561
Temp Loan - Garatoni Family Foundation	4,722,834	4,726,901	4,603,422	4,607,258	4,661,267	4,739,015	3,743,096	3,811,354
Temp Loan - Larry Garatoni	4,136,202	4,139,762	4,143,325	4,146,776	4,150,345	4,153,802	4,157,377	4,160,955
Employee Deductions - Retirement	2,751	3,138	1,761	1,735	3,111	3,397	3,393	2,113
Employee Deductions - Vol Ins & FSA Medical	2,604	2,671	2,570	2,239	2,557	2,549	2,511	3,945
Employee Deductions - Other Payment	-	-	(0)	(0)	(0)	(0)	(1)	(0)
County Property Tax Accrual	-	-	-	-	-	-	-	-
Current Portion of Mortgage	62,214	62,590	62,968	63,349	63,731	64,116	64,504	64,893
Current Liabilities	8,983,166	8,991,623	8,870,607	8,877,918	8,937,572	9,019,440	8,027,440	8,099,821
United Way restricted grant	-	-	-	-	-	-	-	-
Long Term Debt - Mortgage	517,983	512,592	507,170	501,714	496,225	490,703	485,148	479,559
Public Finance Authority-QZAB Bonds	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Common School Loan	-	-	-	-	0	-	-	-
Total Liabilities	13,501,149	13,504,216	13,377,776	13,379,632	13,433,797	13,510,143	12,512,588	12,579,380
Net Equity	(1,052,370)	(1,099,366)	(1,179,970)	(1,377,677)	(1,603,460)	(1,491,904)	(554,102)	(660,727)
Equity change from previous period		(46,997)	(80,603)	(197,708)	(225,783)	111,556	937,802	(106,625)
Accumulated change in Equity from June		(46,997)	(127,600)	(325,308)	(551,090)	(439,535)	498,268	391,643

Career Academy South Bend

Statement of Cash Flows

2014 - 2015

Fiscal	Jul	Aug	Sep	Oct	Nov	Dec	Jan	YTD
Sources of Funds								
Receipts + / (-) Expenditures	(46,997)	(208,103)	(197,707)	(225,783)	(14,694)	937,802	(106,625)	137,893
Restricted Grant/QZAB match	-	127,500	-	-	126,250	-	-	253,750
Add: Depreciation Expense	50,069	49,783	50,206	44,614	44,659	45,113	39,549	323,992
	3,072	(30,821)	(147,501)	(181,169)	156,215	982,915	(67,076)	715,635
Operating Activities								
Accounts Receivable	-	-	-	-	-	26,111	-	26,111
Prepaid Other	520	4,424	(1,783)	1,889	2,977	(341)	0	7,686
Accounts Payable	-	-	-	-	-	-	-	-
Employee Deductions - Ins/Retirement/Other	455	(1,479)	(357)	1,694	278	(43)	155	703
Property Tax Accrual	-	-	-	-	-	-	-	-
Net Cash Provided/(Used) in Operating Activities	4,047	(27,875)	(149,641)	(177,587)	159,469	1,008,643	(66,921)	750,135
Cash Flow from Investing Activities								
Land	-	-	-	-	-	-	-	-
Building	-	(21,308)	(44,745)	(8,450)	(21,224)	(58,870)	(72,591)	(227,188)
Furniture	-	-	-	-	-	-	-	-
Equipment	-	-	(12,780)	(6,938)	(24,615)	(2,979)	(3,065)	(50,377)
Computers	(103,620)	(2,788)	(11,600)	-	-	-	-	(118,009)
CIP - Elementary							(21,425)	(21,425)
Proceeds from Asset Dispositions	-	-	-	-	-	-	-	-
Net Cash Used in Investing Activities	(103,620)	(24,096)	(69,125)	(15,388)	(45,839)	(61,849)	(97,081)	(416,999)
Cash Flow From Financing Activities								
Common School Loan	-	-	-	0	(0)	-	-	-
Garatoni Family Foundation	4,067	(123,479)	3,836	54,009	77,748	(995,919)	68,258	(911,481)
Larry Garatoni	3,560	3,563	3,451	3,569	3,457	3,575	3,578	24,754
Public Finance Authority-QZAB Bonds	-	-	-	-	-	-	-	-
Mortgage	(5,014)	(5,045)	(5,075)	(5,106)	(5,137)	(5,168)	(5,199)	(35,744)
Net Cash Used in Financing Activities	2,612	(124,961)	2,212	52,472	76,068	(997,512)	66,637	(922,471)
Net Cash Provided / (Used)	(96,961)	(176,932)	(216,554)	(140,503)	189,698	(50,718)	(97,365)	(589,335)
Cash @ Beginning of Period	617,234	520,273	343,341	126,787	(13,716)	175,982	125,264	617,234
Cash @ End of Period	520,273	343,341	126,787	(13,716)	175,982	125,264	27,899	27,899

Career Academy South Bend

Loan Activity and Interest Expense

Loan Description	Loan Balance 7/1/2014	Borrowed	Loan Payments	Accrued Int/ Expense	Converted to Donation	Loan Balance 1/31/2015	Interest Exp Loan Payment
Garatoni Family Foundation	4,722,834	315,000	(253,750)	27,269	(1,000,000)	3,811,354	-
Larry Garatoni	4,136,202	-	-	24,754		4,160,955	-
Public Finance Authority-QZAB Bonds	4,000,000	-	-	-		4,000,000	-
Crescent Michiana Properties	580,197	-	(35,744)	-		544,453	23,895
Totals	13,439,233	315,000	(289,494)	52,023	(1,000,000)	12,516,762	23,895
memo - total interest expense				75,918			

Career Academy South Bend

Monthly Revenue and Expense Summary

2014 - 2015

Fiscal		July	Aug	Sep	Oct	Nov	Dec	Jan	YTD
Receipts (Revenue):									
Basic grants and other	1	289,879	245,184	268,557	250,935	434,877	412,837	315,405	2,217,673
Private donations	2	6,250	300	5,724	-	-	1,000,115	10,000	1,022,389
Rental income	3	1,300	-	1,300	1,300	1,300	2,600	-	7,800
Other misc income	4	3,981	1,079	3,573	1,710	6,886	13,468	4,695	35,392
Total Receipts		301,410	246,562	279,154	253,945	443,063	1,429,020	330,100	3,283,254
Expenses:									
Employee salaries	5	199,011	208,328	226,427	235,212	250,868	258,592	259,479	1,637,918
Employee benefits	6	43,262	46,133	51,906	56,388	45,362	50,424	37,162	330,636
Prof/Technical/Training/Other	7	1,674	5,876	6,134	9,821	750	1,393	2,998	28,647
Facility and utilities	8	21,093	28,683	26,828	26,121	30,016	35,782	30,921	199,444
Professional & Outside Services	9	6,931	53,525	24,813	23,305	32,207	19,695	21,254	181,730
Textbooks	10	-	16,429	4,764	11,687	8,355	11,830	3,457	56,522
Supplies and materials	11	2,462	21,139	55,802	46,271	28,894	49,029	19,194	222,791
Advertising	12	10,072	9,361	14,848	10,150	1,842	2,374	8,659	57,305
Other expenses	13	2,701	4,351	4,402	5,166	3,967	5,977	3,896	30,459
Interest	14	11,132	11,059	10,732	10,992	10,838	11,008	10,157	75,918
Total Expenses		298,338	404,883	426,656	435,114	413,098	446,105	397,175	2,821,369
Net Earnings Before Depreciation and Amortization		3,072	(158,321)	(147,501)	(181,169)	29,965	982,915	(67,076)	461,885
Depreciation and Amortization	16	50,069	49,783	50,206	44,614	44,659	45,113	39,549	323,992
Net Earnings		(46,997)	(208,103)	(197,707)	(225,783)	(14,694)	937,802	(106,625)	137,893
Memo Adjustments -									
- QZAB matching funds	17	-	-	-	-	-	-	-	-
- TIF Grant	18	-	127,500	-	-	126,250	-	-	253,750
Net Earnings after adjustments		(46,997)	(80,603)	(197,707)	(225,783)	111,556	937,802	(106,625)	391,643

Monthly actual summary

Career Academy South Bend

Revenue and Expense Detail - P&L

2014 - 2015

Fiscal			Jul	Aug	Sep	Oct	Nov	Dec	Jan	YTD
Receipts (Revenue):	From ‹ To summary									
Private Donation	501	2	6,250	300	5,724	-	-	1,000,115	10,000	1,022,389
Basic Grant - Tuition Support	502	1	217,307	217,307	217,307	217,307	405,313	368,313	273,642	1,916,493
Special Education Grant	503	1	27,877	27,877	27,877	27,877	27,877	27,877	-	167,261
Special Education - Reimb Part B	504	1	20,380	-	-	-	-	8,152	27,877	56,409
Title I Charter Funds - Reimb	505	1	24,316	-	23,373	5,752	1,687	8,496	13,886	77,509
Summer School Reimbursement	506	1	-	-	-	-	-	-	-	-
IN Charter Schools - Grant	507	1	-	-	-	-	-	-	-	-
Rental Income, Utility and Labor Allocation	508	3	1,300	-	1,300	1,300	1,300	2,600	-	7,800
Bus Pass - Student Fees - Books	509	4	1	190	245	659	793	1,252	1,087	4,226
Other Misc Revenue	510	4	3,980	889	3,328	1,051	6,094	12,216	3,608	31,166
TOTAL RECEIPTS			301,410	246,562	279,154	253,945	443,063	1,429,020	330,100	3,283,254
EXPENDITURES:										
Jr. High: 7 & 8										
Salaries	1	5	17,303	45,163	49,971	57,800	54,826	51,962	51,357	328,383
Benefits	2	6	3,483	6,512	5,314	12,203	9,452	7,878	4,041	48,884
Supplies & Materials	3	11	-	1,151	5,004	11,842	6,908	4,085	1,554	30,545
Textbooks	4	10	-	16,086	4,419	7,003	3,599	5,394	2,034	38,535
Prof/Technical/Training/Other	5	7	70	-	1,118	636	400	559	365	3,148
Professional & Outside Services	6	9	-	1,034	1,892	2,205	79	725	625	6,560
Other	7	13	-	600	1,020	1,603	250	1,343	895	5,710
Total Jr. High			20,857	70,547	68,738	93,292	75,514	71,946	60,871	461,765
Sr. High:										
Salaries	11	5	45,509	59,669	67,969	69,009	76,322	75,366	75,845	469,688
Benefits	12	6	7,367	6,635	10,518	10,448	9,329	11,328	3,144	58,769
Supplies & Materials	13	11	1,540	12,913	36,216	28,357	9,422	24,895	11,566	124,908
Textbooks	14	10	-	342	345	4,684	4,756	6,436	1,423	17,987
Prof/Technical/Training/Other	15	7	1,604	4,063	4,839	3,994	350	632	2,613	18,095
Professional & Outside Services	16	9	-	14,411	3,519	705	79	940	5,319	24,973
Other	17	13	900	600	1,370	1,583	955	2,493	715	8,615
Total Sr. High			56,920	98,632	124,775	118,779	101,213	122,090	100,625	723,035

Career Academy South Bend

Revenue and Expense Detail - P&L

2014 - 2015

Fiscal			Jul	Aug	Sep	Oct	Nov	Dec	Jan	YTD
Special Education - LD										
Salaries	21	5	3,573	22,005	22,906	31,112	28,755	28,462	28,822	165,634
Benefits	22	6	1,621	2,358	2,477	3,383	(308)	(31)	1,699	11,199
Supplies & Materials	23	11	-	-	1,642	279	2,201	365	-	4,487
Prof/Technical/Training/Other	24	7	-	61	-	-	-	-	-	61
Professional & Outside Services	25	9	71	250	611	6,480	5,760	4,800	6,825	24,796
Total Learning Disability			5,265	24,674	27,637	41,254	36,407	33,596	37,346	206,178
Support Services - Social Svcs / Nurse / Other										
Salaries	31	5	8,265	9,210	7,191	8,580	7,381	7,845	12,084	60,557
Benefits	32	6	1,697	1,748	1,720	1,461	1,203	1,375	(233)	8,970
Supplies & Materials	33	11	-	-	2,290	502	145	205	-	3,143
Prof/Technical/Training/Other	34	7	-	1,016	-	5,097	-	74	-	6,187
Total Support Services			9,963	11,973	11,201	15,640	8,729	9,500	11,851	78,857
Title 1										
Salaries	41	5	16,348	4,306	2,221	2,221	7,502	8,680	7,914	49,191
Benefits	42	6	3,382	1,025	697	613	994	1,042	1,191	8,944
Supplies & Materials	43	11	-	-	750	-	-	-	-	750
Prof/Technical/Training/Other	44	7	-	-	-	-	-	-	-	-
Total Title 1			19,730	5,331	3,667	2,834	8,496	9,721	9,106	58,885
Admin / Other										
Salaries	51	5	108,013	67,976	76,169	66,490	76,082	86,278	83,457	564,464
Benefits	52	6	12,309	11,320	12,535	10,206	6,474	9,853	3,844	66,540
Unemployment/SS/Medicare	53	6	13,402	16,535	18,646	18,074	18,218	18,979	23,475	127,329
Advertising / Marketing	54	12	10,072	9,361	14,848	10,150	1,842	2,374	8,659	57,305
Outside Prof Services	55	9	3,509	32,176	18,791	13,917	20,635	13,230	8,485	110,743
Insurance - School Gen Lia & WC	56	9	3,351	5,653	-	-	5,653	-	-	14,658
Professional Development	57	7	-	-	-	-	-	-	-	-
Telephone	58	13	1,801	1,949	1,988	1,957	2,738	2,118	2,094	14,644
Travel	59	7	-	737	177	95	-	128	20	1,157
Supplies and Materials	60	11	922	7,075	9,901	5,290	10,218	19,479	6,074	58,958
Water & Sewer	61	8	765	432	745	608	967	608	588	4,713
Building Cleaning, Maint., Trash Removal	62	8	13,511	21,306	16,290	15,603	20,603	19,955	18,739	126,007

Career Academy South Bend

Revenue and Expense Detail - P&L

2014 - 2015

Fiscal			Jul	Aug	Sep	Oct	Nov	Dec	Jan	YTD
Heating / Cooling / Lights	63	8	6,552	6,035	6,529	8,437	7,734	9,589	10,554	55,430
Rental - Carpet Runners and Printers	64	8	265	909	3,264	1,473	713	5,631	1,039	13,294
Other	65	13	-	1,202	24	24	24	24	191	1,490
Total Admin / Other			174,472	182,666	179,906	152,323	171,902	188,243	167,220	1,216,732
Building Depre / Equipment / Loans										
Equipment Purchases	101	13	-	-	-	-	-	-	-	-
Depreciation Expense	102	16	50,069	49,783	50,206	44,614	44,659	45,113	39,549	323,992
Loan Interest	103	14	11,132	11,059	10,732	10,992	10,838	11,008	10,157	75,918
Other	104	13	-	-	-	-	-	-	-	-
Total Building Depre / Equip / Loans			61,201	60,842	60,938	55,606	55,497	56,121	49,706	399,910
Total Expenditures			348,407	454,666	476,862	479,728	457,757	491,218	436,725	3,145,362
Net Earnings			(46,997)	(208,103)	(197,707)	(225,783)	(14,694)	937,802	(106,625)	137,893
Memo Adjustments -										
- Matching QZAB funds	603	17	-	-	-	-	-	-	-	-
- TIF Grant	602	18	-	127,500	-	-	126,250	-	-	253,750
Net Earnings after adjustments			(46,997)	(80,603)	(197,707)	(225,783)	111,556	937,802	(106,625)	391,643

Career Academy of South Bend Change of Authorizer Application to Education One, LLC (Trine University)

Attachment 9: Current or Past Litigation or Arbitration Proceedings

None