

**BOARD OF DIRECTORS MEETING
OPTIONS CHARTER SCHOOLS – CARMEL AND NOBLESVILLE,
INC.**

March 19, 2019

Directors present were: Will Mattingly, Hannah Heuser, Stacy Segal, Matthew Abbott, John Kerr, Gordon Heminger, Brenda Flowers, Lawrence Phillips, Thomas Lyons III

Directors absent were: Valerie Love

Staff Present were: Mike Gustin, Michelle Walden, Shannon Franklin, Jacob Brandau, Camille Scott

Guest Present: None

Stacy Segal opened the meeting at 5:56 p.m.

1. CALL TO ORDER

A. ANNOUNCEMENT BY THE CHAIR WHETHER A QUORUM IS PRESENT, THAT THE MEETING HAS BEEN DULY CALLED AND THAT THE MEETING HAS BEEN POSTED IN ACCORDANCE WITH INDIANA OPEN DOOR LAW AS CODIFIED UNDER I.C. SECTION 5-15-1.5. THE AGENDA FOR THE MEETING HAS BEEN POSTED AND MADE AVAILABLE TO THE PUBLIC.

B. DISTRIBUTION OF THE AGENDA.

2. ROLL CALL

A. PUBLIC ANNOUNCEMENT REGARDING THE ATTENDANCE OF ALL BOARD MEMBERS, THE ABILITY OF THE BOARD TO FORM A QUORUM, AND THE POWER OF THE BOARD TO CONDUCT BUSINESS.

3. EXECUTIVE SESSION:

There will be no Executive session to follow.

4. PUBLIC FORUM:

Nothing at this time.

5. REPORTS

A. CHAIRMAN OF THE BOARD OF DIRECTORS REMARKS, STACY SEGAL:

- a. Nothing at this time.

B. REPORT OF THE PRESIDENT/EXECUTIVE TEAM:

Mike Gustin presented the board with his report. Discussion took place; however, no action was needed.

C. TREASURER'S REPORT:

a. APPROVAL OF VOUCHERS:

Will Mattingly presented the Carmel Allowance of Vouchers dated March 19, 2019, in the amount of \$80,311.45. Will Mattingly requested a motion of approval of Allowance of Vouchers in the amount of \$80,311.45. Matthew Abbott moved to accept, and Hannah Heuser seconded. The motion passed unanimously.

Will Mattingly presented the Noblesville Allowance of Vouchers dated March 19, 2019, in the amount of \$172,294.52. Will Mattingly requested a motion of approval of Allowance of Vouchers in the amount of \$172,294.53. Matthew Abbott moved to accept, and Hannah Heuser seconded. The motion passed unanimously.

G. TEMPORARY AND AD HOC COMMITTEE REPORT:

No updates at this time.

6. OLD BUSINESS

a. Central Office – Lease Options:

Brenda Flowers made a recommendation to keep the administration office separate from the school building and to move forward with the 60-90 buildout. Lawrence Phillips moved to accept, and John Kerr seconded. Hannah Heuser opposed the recommendation. The motion carries.

b. 5-Year Strategic Plan/Succession Plan

Mike Gustin presented the Board with the 5-Year Strategic Plan/Succession Plan. No action was needed.

c. 2019-2020 Final Draft Budget:

Stacy Segal made a motion to approve the 2019-2020 Budget. Matthew Abbott moved to accept, and Gordon Heminger seconded. The motion passed unanimously.

d. PILOT

Stacy Segal directed the President to begin working on the due diligence items that are embedded in the Purchase agreement. The property address is 3504 E SR 32, Westfield, IN 46074. Hannah Heuser moved to accept, and Matthew Abbott seconded. The motion passed unanimously.

7. NEW BUSINESS:

A. APPROVAL OF MINUTES FROM SCHOOL BOARD MEETING:

Stacy Segal asked the members to review the Minutes presented for the April 17, 2019 meeting.

Hannah Heuser moved to accept, and Gordon Heminger seconded. The motion passed unanimously.

B. Administrative Contracts 2019-2020:

Stacy Segal made a motion to approve the administrative contracts for the 2019-2020 school year. Valerie Love moved to accept, and Matthew Abbott seconded. The motion passed unanimously.

C. Board Member Re-Election:

Stacy Segal made a motion to re-elect Thomas Lyons III, Valerie Love and Will Mattingly for another term. Hannah Heuser moved to accept, and Gordon Heminger seconded. The motion passed unanimously.

D. BACA Agreement:

Michelle Walden presented the Board with information regarding the BACA program. Discussion took place. Stacy Segal made a motion to run a pilot program for 1 year with a clause to break the lease if needed prior to that one year. Gordon Heminger moved to accept, and Hannah Heuser seconded. Valerie Love abstained. The motion passed.

E. Add "CFO" language in Board Policy: Operations-O2:

Stacy Segal made a motion to approve the language change from COO to CFO in paragraph 4. Gordon Heminger moved to accept, and Matthew Abbott seconded. The motion passed unanimously.

8. GOOD OF THE ORDER –

Nothing at this time.

9. ADJOURNMENT:

Stacy Segal requested a motion for adjournment at 7:26 pm. The motion for adjournment passed unanimously.

Submitted by:



Shannon Franklin
Board Stenographer

Approved by:

Will Mattingly
Board Secretary



Next scheduled meeting will be held on July 16, 2019 at the Options Charter School – Noblesville at 6:00 pm.



Options Charter Schools

www.optionsined.org

317-773-8659

Carmel – Est. 2002
530 W. Carmel Dr.
Carmel, IN 46032
Camille Scott - Principal

Noblesville – Est. 2006
9945 Cumberland Pointe Blvd
Noblesville, IN 46060
Jacob Brandau – Principal

Mike Gustin
President

Michelle Walden
Director of Schools

Report of the Treasurer for February 2019 Compiled on April 10th, 2019

I. Vouchers

The vouchers for Carmel were slightly below average at \$79,099.52 in February. Noblesville February vouchers were above average at \$211,349.59 (including \$54K for Hope Source, and \$15k earnest money for Westfield Property). Credit card detailed statements were reviewed & nothing is out of line.

*Credit Card usage was within expected range.

II. Balance Sheet

Cash balances (regular checking) on hand for the month of February increased roughly \$37K to \$983,593.80 for Carmel. Noblesville increased roughly \$89K to \$1,255,798.89.

III. Budget Versus Actual Update

February is the 8th month for the 2018-2019 school year. Overall, Carmel and Noblesville are both in line with budget including Hope Source. Respectively, 66.67% into the fiscal year Carmel is at 77.49% of budgeted revenue and 63.99% of budgeted expenses. Noblesville is at 82.9% of budgeted revenue and 69.95% of expenses.

Revenues:

Revenues are within budget.

The expenditure categories noted above budget (in red) for both locations remain unchanged:

Pupil Services category will be adjusted for the next school year to properly account for power-school and Options Academy. Training category is in red for both locations and is a line item the school president will adjust for the 2019-2020 school year to combat staff burn out and preparedness.



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Other expenditures categories out of line (in red) with budget by site include:

<u>Site</u>	<u>Expenditure Category</u>	<u>\$</u>	<u>Notes</u>	<u>Change</u>
N	Legal Fees	\$427	Church, Church, Hittle, Antrim	Feb
N	Computer Hardware	\$10,716	New Chromebooks, Adjust 19/20 year	Feb
N	Maintenance Expense	\$4,700	Furnace Breakdown	Feb
N	Printing Expenses	\$2,926	New Protocols to be discussed	Mar
N	Travel Expense	\$385	ISTEP Testing (Room and Board)	Apr
N	Insurance Expense	\$2,281	Quarterly Payment, will be fixed	Mar

Respectfully Submitted,

William Mattingly

Board Treasurer

Next Meeting: April 16th, 2019 @6pm

Options Charter Schools

Belong. Believe. Achieve

Meeting of the Board of Directors
Tuesday March 19, 2019
Options Charter School- Carmel
Carmel, IN 46032

Agenda

1. Call to Order (Board Chairman)
 - A. Announcement by the Chair that the meeting has been duly called and that the meeting has been posted in accordance with Indiana Open Door Law as codified under I.C. § 5-15-1.5. The agenda for the meeting has been posted and made available to the public.
 - B. Distribution of the Agenda
2. Roll Call (Board Secretary)
 - A. Public announcement regarding the attendance of all board members, the ability of the board to form a quorum, and the power of the board to conduct business.
3. EXECUTIVE SESSION- There will be an executive session pursuant to IC5-14-1.5-6.1 (b)(2)(D): The purchase or lease of real property by the governing board up to the time of a contract or option to purchase or lease is executed by the parties.
4. Hearing of the Public
 - A. This is the time for comments from members of the public to speak.
5. Reports
 - a. Chairman's Report
 - b. President/Executive Team Report
Policy Governance- No items to report in March
 - c. Treasurer's Report
 - Approval of January 2019 vouchers
 - d. Temporary and Ad Hoc Committee Report
 - Facility Committee



6. Old Business
 - a. Central Office- lease options
 - b. 5-year Strategic Plan/Succession Plan
 - OCS Charter Options
7. New Business
 - a. Approval of Minutes from School Board Meeting
 - February 2019
 - b. Review APR for OCS-Carmel (OCSC) and OCS-Noblesville (OCSN)
 - c. Review School Emergency Preparedness Plans for OCSC and OCSN
8. Good of the Order
 - a. There are no additional items.

Adjourn

Next Meeting:
Options Charter Schools- Noblesville
9945 Cumberland Pointe Blvd Noblesville, IN 46060
Tuesday April 16, 2019 @ 6:00PM

Executive Team
OCS Board Report
March 19, 2019

From the Office of the President/CEO

Mike Gustin, Michelle Walden, and Will Mattingly presented at the State Board of Education Meeting on Wednesday March 6, 2019. Adam Piper attended with the presenters in a support role. The goal of that presentation was to convince the members of the State Board of Education to change our OCS-Carmel grade from a "D" and our OCS-Noblesville grade from an "F" to "Null" grades. This was part of the appeal process we had been engaged in since the fall of 2018. The PowerPoint presentation was content-rich and professionally constructed to emphasize the point that Options Charter Schools is performing above the state and national averages on NWEA test scores and graduation rates. There was also data from AdvancEd regarding our organization's current status on: Teaching and Learning, Leadership, Resource Utilization, and an overall score. Those scores showed we were performing at or above the national average in all four categories.

Here is a link to that document:

https://drive.google.com/file/d/1CmWkdh5UJ_jjn1FNqYX5Xp-sFLWfdMbl/view?usp=sharing

Although we were able to convince many of the members of the State Board of Education that Options Charter Schools continues to work at a very high level of quality with students who are at-risk of not graduating high school, we could not convince them to overturn the ruling of the Attorney General Hearing Officers. Instead, they reaffirmed our current grades using the A-F Grading System.

This SBOE vote was disappointing to our leadership team and Will. As an organization, we have been working to change the way we are assessed by Indiana's legislative and regulatory bodies since I took over as President of Options in 2012. Although we believe that the state will eventually revamp this process, we also believe it is time for us to review how we identify and educate different Options' at-risk groups across the spectrum: brick and mortar, virtual, and students with cognitive disabilities (Hopesource). Michelle and I are working on a presentation for the March board meeting that will lay out our choices. Then during the next month, we will work to find data points that will support an eventual recommendation to the board. We will discuss this further at the board meeting.

Facility Update

Options Charter Schools hired Dave Coats, an attorney from the Carmel area, to represent us in negotiating a PILOT agreement with Westfield city officials. An initial offer on behalf of the Options board was made to the city official on March 5, 2019. It was a one-time payment of \$200,000. The city has not yet responded to our offer. I have checked in with Dave on several occasions regarding feedback; most recently on March 14, 2019. According to Dave, the city is

currently dealing with financing on Grand Junction. He encouraged us to be patient with city officials. He felt that pushing them would only hurt our cause. I have communicated with landowner, Bob Barker, and builder, Steve Berg, regarding our situation.

Options in Education Foundation (OIEF) Report

There has been little activity in the foundation during the past month. There has been the routine giving by stakeholders and expenditures for student purposes. The OIEF balance is \$55,585. Some of those funds are encumbered for student counseling, cafeteria services, scholarships, and student programming. The majority of those funds are will be used at the discretion of board and president. Please see the balance sheet in the OIEF folder in the February 2019 Board Folder to review the specific categories and amounts.

From the Office of the Chief Operations Officer

Enrollment

03//2019

	Carmel		Noblesville	
	17/18	18/19	17/18	18/19
Total Enrollment	202/185 (109%)	211/225 (94%)	322/320 (101%)	294/315 (93%)

Enrollment by Program

	Carmel	Noblesville
The Hope Source	-	54/50 (108%)
Jr. High (6,7,8)	-	23/20 (115%)
Sr. High (Brick and Mortar)	135/150 (90%)	141/170 (83%)
Distance Education	76/75 (101%)	76/75 (101%)

Reflection:

The steady flow of enrollments continues into this month. Open houses have begun for enrollment for the 19/20 school year as well. Our first open house was held at Carmel. Four families attended as well as a few counselors from local schools. We saw a slight increase in enrollments for this time of year compared to last year and a large decrease in withdraws in the same comparison. 28 new students enrolled in the month of February, 2019 compared to 22 in the same month last year. 8 students were withdrawn in February, 2019 with 100% of them being for positive reasons, including 3 graduates. Last year, the same month, 38 students withdrew with only 45% of them having positive mobility codes. A positive mobility means the student graduated or is returning to their home school or transferring to a program that is a better fit, identified with the help of the Options team.

We are focusing recruitment efforts for the remainder of the school year on continuing to fill the identified gaps in enrollment for each program.

- Noblesville Brick and Mortar: 11th and 12th grade
- Carmel Brick and Mortar: 9th and 11th grade
- Distance Education: all school-aged children instead of older adults returning to school.

Accountability Data

School Improvement Data

18/19 School Improvement Plans

February Data

[Carmel](#)

[Noblesville](#)

[Distance Education](#)

SBOE, IDOE, OCS BSU Updates/News:

State A-F Grade

Final A-F Accountability Reports have been released to the schools.

2017-18 Annual Performance Report

We have completed the appeals process. The State Board of Education voted 10-0 to uphold the hearing officer's decision that the A-F grade was applied correctly and we were not eligible for a null grade.

[Official Carmel Appeal](#) - submitted by OCS-C to SBOE

[Official Noblesville Appeal](#) - submitted by OCS-N to SBOE

[Initial response from hearing officer - Options Carmel](#)

[Initial response from hearing officer - Options Noblesville](#)

[Final Decision - Options Carmel](#)

[Final Decision - Options Noblesville](#)

Staffing:

Name of Employee	Job Title	Brief Biography	Type
Lisa Chandler	Middle School Math Teacher	<ul style="list-style-type: none"> ● 10+ years of experience in education ● Specialized in working with students with autism 	Filled open position

- We are actively looking for 1 or 2 more substitute teachers.

From the Office of the Chief Financial Officer

Hope Source

Per the direction of the board, I did an analysis on what the financial impact of losing the Hope Source will be. I have attached my spreadsheet "Hope Source Loss Analysis" to the Board Meeting folder. To summarize, due to the nature of Special Education funding, we will continue to receive Special Education money for the Hope Source students until December 2019. We will only be paying a fee to Hope Source in July as they transition to Dynamic Minds in August. Since we will have a significantly reduced expense to Hope Source while still receiving a large amount of Special Education money, we will have a net gain of \$207,000 from the Hope Source in the 2019-2020 budget. However, the loss will occur in 2020-2021 when all revenue and expenditures are completely removed from the budget. The major impact will be the loss of \$207,000 for the 2020-2021 budget. I also included in the analysis how much money we netted from the Hope Source relationship over the last 2 years.

2019-2020 Budget Progress

I am currently compiling all the expenditures and revenues for the 19-20 budget. I have received the needs of all departments and schools as well as staffing needs for the entire organization. The executive team will be reviewing the initial budget in the next 2 weeks and I will have the rough draft completed for your review at the April board meeting.

Current 2018-2019 Financial Status

With 5 months to go in the fiscal year, Options Noblesville currently has net gain of \$409,723 for the year which puts our cash balance for Noblesville at \$1,209,723. The 2018-2019 budget projected a net gain of \$231,000, so we are on pace to hit or surpass that target.

Options Carmel currently has a net gain of \$214,966, which puts the cash balance for Carmel at \$1,114,966. The 2018-2019 budget projected a net gain of \$183,000, so we are on pace to hit or surpass that target.



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Report of the Treasurer for December 2018 Compiled on February 10th, 2019

I. Vouchers

The vouchers for Carmel were slightly below average at \$84,742.06 in December. Noblesville December vouchers were average at \$179,802.04 (including \$56K for Hope Source). Credit card detailed statements were reviewed & nothing is out of line.
*Credit Card usage was within expected range.

II. Balance Sheet

Cash balances (regular checking) on hand for the month of December increased roughly \$52K to \$960,217.95 for Carmel. Noblesville increased roughly \$50K to \$1,182,721.73.
*Changes in balances were both within our \$60k threshold.

III. Budget Versus Actual Update

December is the 6th month for the 2018-2019 school year. Overall, Carmel and Noblesville are both well in line with budget including Hope Source. Respectively, 50% into the fiscal year Carmel is at 56% of budgeted revenue and 49.36% of budgeted expenses. Noblesville is at 61% of budgeted revenue and right at 51.9% of expenses.

Revenues:

Revenues are within budget.

The expenditure categories noted above budget (in red) for both locations: Pupil Services category will be adjusted for the next school year to properly account for power-school and Options Academy. Training category is in red for both locations and is a line item the school president will adjust for the 2019-2020 school year to combat staff burn out and preparedness.

Other expenditures categories out of line (in red) with budget by site include:

Site	Expenditure Category	\$	Notes	Change
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Board Treasurer

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