

**INTERNATIONAL EDUCATION AND COMMUNITY INITIATIVES
D/B/A ONE BRIGHT RAY, INCORPORATED
Minutes of a Meeting
Of the Board of Directors
Held November 20, 2019**

A meeting of the Board of Directors (the “Board”) of International Education and Community Initiatives, d/b/a One Bright Ray, Incorporated, a Pennsylvania non-profit corporation (“OBR”), was held at the offices of Community Academy of Philadelphia on November 20, 2019. The following Board members were present at the meeting, constituting a quorum: Joseph H. G. Proietta, M.Ed., President and Founder; Alberta P. O’Brien, EdD; Aykema Mabery-Austin, MBA; Lauren Nelson, MA; and Cassandra McLaughlin, MS. Also present at the meeting were Marcus A. Delgado, Chief Executive Officer and Secretary; Frances Velazquez, Director of Financial Services; Joycet Velasquez, Chief Academic Officer; Valecia Johnson, Director of College Partnerships; Debra Marker-Toth, Director of School Improvement; Michael Whisman, accountant with Charter Choices, Inc.; Joseph Martin, financial analyst with Charter Choices, Inc.; and Spenser Karr, Esq., of Duane Morris LLP. Board member Yolanda M. Negrón was absent from the meeting.

Mr. Proietta served as Chair of the meeting and, having met a quorum, called the meeting to order at 4:03 p.m.

As the first order of business, Mr. Proietta noted to the Board that Ms. Negrón had submitted her resignation from the Board. The Board unanimously accepted Ms. Negrón’s resignation.

Second, Mr. Proietta called for a review of the minutes from the meeting of the Board held on October 23, 2019. The Board reviewed the minutes and corrected discrepancies between the draft minutes and the events of the meeting of the Board on October 23, 2019. Upon a motion that was duly made and seconded, the minutes of the Board from the meeting held on October 23, 2019, as corrected, were unanimously approved. The Board ordered that the minutes be placed in OBR’s minute book.

Third, Mr. Proietta requested a financial update. Mr. Martin reviewed with the Board the **attached** Financial Statements for the four (4) month period ended October 31, 2019. Mr. Martin first reviewed the Budget-to-Actual Summary with the Board, noting that there was a favorable increase in revenue at OBR Non-Profit due to higher than budgeted interest rates. Mr. Martin then reviewed the Balance Sheet with the Board, noting that the low cash balance on such Balance Sheet resulted from a then-pending payment from the School District of Philadelphia (the “School District”) that was received on November 7, 2019. Mr. Martin indicated that Charter Choices, Inc. would monitor the timing of those payments in the future. Mr. Proietta inquired as to whether OBR would need to borrow funds for its current operations. Mr. Delgado noted that there could be a cash flow issue related to the first payroll of December. Mr. Delgado requested authorization for OBR to draw on its line of credit as necessary to ensure that OBR could meet its obligations in the near future. Mr. Delgado noted that, while the School District typically approves invoices within five days of submission, the September, 2019 invoice submitted by OBR had been approved after 10 days. Mr. Delgado also noted that the upcoming

payment for the November, 2019 invoice could be delayed due to the end-of-year holidays. Mr. Proietta moved, and the Board unanimously approved, that borrowing be permitted from the line of credit as necessary for a time not to exceed three months.

Next, Mr. Martin reviewed the Budget-to-Actual for One Bright Ray – Community High School. Mr. Martin noted that actual revenue was slightly lower than budgeted revenue, which Mr. Martin attributed in part to lower enrollment at the Mansion campus. Mr. Martin also noted that actual salaries were lower than budgeted salaries, which Mr. Martin attributed in part to an intentional delay in hiring. Mr. Martin discussed how this intentional delay contributed to lower-than-budgeted costs for employee benefits.

Next, Mr. Martin reviewed the Budget-to-Actual for One Bright Ray – Harcum College (the “Harcum Program”). Mr. Martin noted that the actual expenditures and revenue were consistent with the budget. Mr. Martin briefly discussed the structure for receipt of revenue from the Harcum Program, indicating that Mr. Martin anticipated it would be consistent with past practice. A brief discussion ensued regarding enrollment in the Harcum Program.

Fourth, Mr. Martin directed the Board’s attention to a copy of the **attached** final draft of the Financial Statements and Independent Auditor’s Report for the Fiscal Year ended June 30, 2019 (the “Auditor’s Report”). Mr. Proietta asked whether the Auditor’s Report was a clean audit report, and Mr. Delgado indicated that it was. Mr. Proietta also noted that a note in the prior draft version regarding issues from 2010 and 2012 had been removed. A discussion of the Auditor’s Report ensued.

Fifth, Mr. Delgado provided a general update on OBR. Mr. Delgado noted that a representative of Columbus Ohio Schools had visited OBR and expressed interest in opening an OBR location in Ohio. The Board discussed the various advantages and disadvantages of such a program.

Sixth, Mr. Delgado introduced Ms. Marker-Toth, who made the **attached** presentation on the Middle States Association of Colleges and Schools (“Middle States”). Ms. Marker-Toth discussed her career at OBR and the relationship between OBR and Middle States. Ms. Marker-Toth noted that OBR was currently in the midterm review portion of the accreditation process, which began in 2014. Ms. Marker-Toth provided an update as to past actions taken related to such accreditation process and the current status of OBR as it relates to the Middle States accreditation. Next, Ms. Marker-Toth noted that a mid-term report was due to Middle States on December 1, 2019, and discussed key action plan objectives and steps being taken to meet those objectives, including in measures of academic achievement, student engagement, technology and resources. Ms. Marker-Toth noted methods being undertaken to ensure that, despite the growth of OBR, the engagement with Middle States remained and will remain consistent over time.

Next, Ms. Marker-Toth presented sample data as to the performance of students at select campuses, including information related to Tests of Adult Basic Education (“TABE Tests”) and performance scores on such TABE Tests. Ms. Marker-Toth discussed measures of student engagement, including attendance and tardiness, as well as efforts to improve both. Ms. Marker-Toth noted that retention from new-student orientation was approaching one-hundred percent. Ms. Nelson questioned how data related to student engagement was retained and Ms. Marker-

Toth explained the systems in place to generate and store data in a manner that allows it to be shared among the relevant parties.

Seventh, Mrs. Velasquez provided an update on various OBR campuses. Mrs. Velasquez discussed the School District's operational walkthroughs of the various campuses, indicating that the walkthrough for the Mansion campus had been completed and that the Fairhill campus was to follow. Mrs. Velasquez noted that the staff sent by the School District requested significant amounts of information and provided positive feedback regarding academics, documentation, attendance and other relevant data points. Mrs. Velasquez discussed the School District's preference regarding the use of the School District's online system for retention of certain items. Dr. O'Brien questioned how information was being provided into that system and Mr. Delgado discussed how such information was stored and provided to that system. The Board discussed various issues related to the engagement with the School District's chosen system and associated with retaining the current system used by OBR. Mr. Delgado and Mrs. Velasquez discussed the operational walkthroughs and their discussions with the School District staff who performed those walkthroughs. Mr. Delgado discussed an issue with non-compliance because of the Mansion campus's lack of an anti-bullying policy, noting that the Mansion campus is a school for adults. Mrs. Velasquez noted that walkthroughs would be ongoing, and briefly discussed a thanksgiving potluck. Following this discussion, Ms. McLaughlin left the meeting.

Eighth, Ms. Johnson provided the Board with an update on the Harcum Program, noting that the students attending the Harcum Program consisted of 94 OBR students, 36 non-OBR students that were also taking classes from other sites, and three non-OBR students who took all of their classes in the Harcum Program. Ms. Johnson discussed Congreso and Grace Trinity and each of their relationships with the Harcum Program, noting that there were not enough students enrolled to form full classes with either entity. Ms. Johnson discussed the different funding levels received for different types of students who attend OBR. The Board discussed tracking the use of any non-classroom resources that constitute expenses not covered by the payments corresponding to the non-OBR students. A discussion ensued considering potential proposals to adjust compensation in consideration of additional resources utilized by such non-OBR students. Ms. Johnson also noted that ten students were expected to finish their degree requirements in the Fall, three of whom had already walked and seven of whom would walk in May.

Ninth, Mr. Proietta asked if there was any new business to come before the Board.

There being no new business to come before the Board, Mr. Proietta reminded the Board that the next Board meeting is scheduled for Wednesday, February 19, 2019 at 4:00 p.m.

Thereafter, upon a motion duly made, seconded and unanimously approved, the meeting was adjourned at 5:01 p.m.