

**INTERNATIONAL EDUCATION AND COMMUNITY INITIATIVES
D/B/A ONE BRIGHT RAY, INCORPORATED
Minutes of a Meeting
Of the Board of Directors
Held June 16, 2021**

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 by videoconference on Wednesday, June 16, 2021. The following Board members were present at the meeting: Joseph H. G. Proietta, M.Ed., President and Founder; Alberta P. O’Brien, EdD; Aykema Mabery-Austin, MBA; Lauren Nelson, MA; and Ludmiladia Pitter, BA. Board members Cassandra McLaughlin, MS, Mariah Matias, BS and Érica Méndez, BS were absent from the meeting. Also present at the meeting were Marcus A. Delgado, Chief Executive Officer and Secretary; Frances Velazquez, Director of Financial Services; Monica Hawk, Director of School Improvement; Erica Walker, Director of Harcum College at OBR; Michael Whisman, accountant with Charter Choices, Inc.; Joseph Martin, financial analyst with Charter Choices, Inc.; and Maria Granholm, Esq., of Duane Morris LLP, legal counsel.

Mr. Proietta served as Chair of the meeting and, having met a quorum, called the meeting to order at 4:01 p.m.

As the first order of business, Mr. Proietta called for a review of the minutes from the meeting of the Board held on April 21, 2021. The Board reviewed the minutes. Thereafter, upon a motion that was duly made and seconded, the minutes of the Board from the meeting held on April 21, 2021 were unanimously approved by the Board.

Second, Mr. Proietta requested a financial update. Mr. Martin reviewed with the Board the **attached** unaudited Financial Statements for the eleven (11)-month period ended May 31, 2021. Mr. Martin first reviewed with the Board the Summary and Management Report included with the Financial Statements. Mr. Martin noted that there were no significant changes from the March 2021 financials reviewed at the last Board meeting. Mr. Martin pointed out that OBR non-profit is projected to end the year with a loss of \$616,432, a favorable variance of \$79,682 as compared to OBR non-profit’s budget, OBR CHS is projected to end the year with an increase in net assets of \$1,104,703, a favorable variance of \$495,658 as compared to OBR CHS’ budget, and the Harcum Program is projected to the end the year with an increase in net assets of \$14,824, an unfavorable variance of \$23,649 as compared to the Harcum Program’s budget. Mr. Martin briefly discussed with the Board the key reasons for the variances to budget for OBR CHS.

Next, Mr. Martin reviewed OBR’s summary balance sheet with the Board, noting that OBR’s cash position increased from \$759,400 at March 31, 2021 to \$995,847 at May 31, 2021, primarily due to an increase in payments and capital projects reimbursements. Mr. Martin advised that OBR’s receivables largely remained flat since March 31, 2021 and payments continue to be received regularly from the School District of Philadelphia (the “School District”), which had been invoiced through May 2021, and paid through March 2021, in each case, as of

May 31, 2021. Mr. Martin also pointed out that OBR's prepaid expenses and accrued expenses have increased since March 31, 2021.

Mr. Martin next reviewed with the Board certain line items from OBR's detailed balance sheet. Mr. Whisman commented that OBR's cash and receivables were trending similar to OBR's prior year. Mr. Martin then reported that OBR has approximately \$90,000 left in its capital project fund, which must be used by October. During a general discussion among the Board regarding OBR's financial position, Mr. Martin confirmed OBR's ability to continue to meet its financial-based bond covenants.

Third, Mr. Delgado presented the **attached** proposed 2021-2022 annual budget (the "**Proposed Budget**") to the Board. Mr. Delgado explained that the Proposed Budget was adjusted from the version last presented to the Board, to balance the individual budgets of each OBR program. Mr. Delgado reminded the Board of key assumptions underlying the Proposed Budget. The Board briefly discussed how depreciation and amortization was reflected in the Proposed Budget versus how it would impact OBR's cash position. Thereafter, upon a motion duly made and seconded, the Board unanimously approved the **attached** Resolution No. 1, regarding the Proposed Budget, by roll-call vote as set forth therein.

Fourth, Mr. Delgado informed the Board that OBR is now an Act 48 Approved Provider, and, as such, OBR will be able to provide its teachers more flexibility and opportunities with respect to fulfilling applicable requirements under Pennsylvania's educator professional development law, known as Act 48 of 1999. Mr. Delgado explained that, as an approved provider, OBR can now provide its own trainings for teachers and develop programs to help OBR's teachers satisfy such professional development requirements. The Board briefly discussed the applicable professional development requirements.

Fifth, Mr. Delgado advised the Board that OBR would hold a drive-through graduation ceremony in the Community Academy of Philadelphia parking lot on August 6. He informed the Board that the graduation would be held over a 4-hour period and would be open to graduates who did not get to participate in a graduation ceremony the prior year (due to the COVID-19 pandemic). Mr. Delgado discussed the decision-making process for selecting a drive-through graduation ceremony and how the drive-through graduation ceremony would work.

Sixth, Mr. Delgado introduced Ms. Hawk, Director of School Improvement, to the Board and asked her to provide an overview to the Board of OBR CHS' outlook for 2021-2022. Ms. Hawk reviewed and discussed with the Board (1) the **attached** OBR CHS 2021-2022 Academic School Year Calendar (the "**School Calendar**"), (2) OBR CHS' 2021-2022 14-week module system, including the **attached** 14-week module break-down, and (3) the **attached** proposed Bell Schedule for the 2021-2022 school year. The Board asked, and Ms. Hawk answered, various questions regarding the information and materials she presented regarding such matters. Following Ms. Hawk's presentation, the Board reviewed the **attached** Resolution No. 2 regarding the School Calendar. Following such review, upon a motion duly made and seconded, the Board approved Resolution No. 2 by roll-call vote, as set forth therein. Next, following review of the **attached** Resolution No. 3 regarding changes to OBR's module system, the Board approved Resolution No. 3 by roll-call vote, as set forth therein.

Ms. Hawk next reviewed with the Board the new, increased credit seat hour requirements for Algebra 1, English/English Language Arts 2 and Biology. Ms. Hawk explained how such increased seat hour requirements are expected to impact OBR's students at each of its campuses. Finally, Ms. Hawk provided an update regarding a change in OBR's Middle States accreditation procedure. Ms. Hawk explained that OBR is switching from utilizing an accreditation process by which OBR is evaluated and accredited on a campus-by-campus basis, to an accreditation process that will enable OBR to be evaluated and accredited on a system-wide (all campuses) basis. The Board discussed the benefits of such change and the differences in such process.

Seventh, Ms. Walker provided an update regarding the Harcum College at OBR Program ("Harcum Program"). Ms. Walker provided updates regarding Spring 2021 and anticipated Fall 2021 enrollment and various goals and challenges related to enrollment. Ms. Walker informed the Board of the various types of recruiting efforts in which OBR is engaging with respect to the Harcum Program, including weekly information sessions, mailings, regular social media posts and outreach and, to hosting a table at certain in-person recruitment events. Mr. Delgado noted that Harcum College has not yet confirmed whether it will hold classes in-person or virtually for the upcoming semester. Mr. Delgado noted that Harcum College conducted student surveys, which seemed to indicate that virtual classes would be preferred. The Board discussed how Harcum College's decision between in-person and virtual classes may impact the Harcum Program and its students.

Eighth, Mr. Proietta asked if there was any new business to come before the Board. Mr. Delgado raised the idea of forming a financial committee and discussed the potential benefits of having such a committee and regularly finance committee meetings. The Board agreed to think about such suggestion prior to the next Board meeting. The Board also discussed whether the next Board meeting should be held in-person or virtually, and the consensus of the Board was that the meeting should be held in person at Community Academy of Philadelphia. The Board also discussed adding an additional Board member and Mr. Proietta requested that any recommendations as to possible new members be provided to Mr. Delgado and Ms. Velazquez in advance of such meeting. There being no further new business, Mr. Proietta noted that the next regularly scheduled Board meeting was scheduled to be held in-person at Community Academy of Philadelphia on October 20, 2021 at 4:00 p.m. (Eastern). Then, upon a motion duly made, seconded and unanimously approved, the meeting was adjourned at 4:58 p.m.