

**INTERNATIONAL EDUCATION AND COMMUNITY INITIATIVES**  
**D/B/A ONE BRIGHT RAY, INCORPORATED**  
**Minutes of a Meeting**  
**of the Board of Directors**  
**Held September 20, 2023**

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 via videoconference on Wednesday, September 20, 2023. The following Board members were present at the meeting: Joseph H. Proietta, M.Ed., President and Founder; Alberta P. O’Brien, EdD; Cassandra McLaughlin, MS; and Ludmiladia Gomez (Pitter), BA. Also present at the meeting were Monica Hawk, Interim Chief Executive Officer (“CEO”); LaToya Johnson, PhD, Chief Academic Officer; Frances Velazquez, Chief Financial Officer; Mike Whisman, CPA, Founder and Executive Officer with Charter Choices, Inc. (“Charter Choices”); Kelly Wojtan, MBA, Accountant with Charter Choices; and Maria Granholm, JD, of Duane Morris LLP, legal counsel. Board members Lauren Nelson, MA; and Érica Mendez (De Jesus), BS, were absent from the meeting.

Mr. Proietta served as Chair of the meeting and, having met a quorum, called the meeting to order at 3:06 PM.

As the first order of business, Mr. Proietta called for a review of the minutes from the meeting of the Board held on June 14, 2023, which were circulated to the Board in advance of the meeting. 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 June 14, 2023 were unanimously approved by the Board members present at the meeting.

Second, Mr. Proietta invited Dr. Johnson, OBR’s new Chief Academic Officer, to introduce herself. Dr. Johnson introduced herself and shared some of her background and experience with the Board. The Board congratulated Dr. Johnson on her new position and welcomed Dr. Johnson to her first Board meeting.

Third, Mr. Proietta requested a financial update. Mr. Whisman reviewed with the Board the **attached** unaudited financial statements for the two (2)-month period ended August 31, 2023 (the “Financial Statements”), which were previously reviewed by Charter Choices with Ms. Hawk and Ms. Velazquez. Mr. Whisman first reviewed OBR’s summary balance sheet with the Board, noting that OBR’s cash position increased from \$3,285,871 (unaudited) at June 30, 2023 to \$3,777,354 at August 31, 2023 and OBR’s receivables decreased from \$2,255,861 at June 30, 2023 to \$1,364,940 at August 31, 2023, in each case due to the collection of previously outstanding receivables from the School District of Philadelphia (the “School District”).

Mr. Whisman also reviewed with the Board OBR’s budget-to-actual report at August 31, 2023 included with the Financial Statements. Mr. Whisman noted that there were no significant variances through August, with the exception of interest income, which was higher than budgeted (a positive variance). Mr. Whisman also pointed out the \$1,512,997 One Bright Ray Community High School (“OBR CHS”) deficit, and explained that such deficit is similar to the budgeted deficit and is a function of when OBR CHS records revenue and a delay in the advance

payment typically paid by the School District. The Board briefly discussed the timing of School District receivables and management confirmed that OBR has sufficient cash flow to cover expenditures in the meantime. The Board also discussed enrollment and School District rates and their impact on the Financial Statements. Ms. Hawk confirmed that the School District is paying OBR for full enrollment in September, but thereafter will only pay OBR for students actually enrolled. Ms. Hawk provided an enrollment update, noting that OBR's Fairhill and Simpson day programs are fully enrolled, while OBR's Elmwood, Strawberry Mansion day and night and Simpson night programs are not fully enrolled. The Board discussed strategies for increasing enrollment, and managing costs in the event that certain of OBR's programs are not fully enrolled by the end of September. Ms. Hawk shared some of the measures already being taken to manage expenditures, including not having fully staffed OBR's night programs, pending higher enrollment. The Board requested to be kept apprised of any significant changes in enrollment or School District funding. In response to a request from the Board, Mr. Whisman indicated that he would include financial projections with the financial statements for the next Board meeting, but noted that those are not typically provided prior to October due to the limited data available for preparation of such projections.

Fourth, Ms. Velazquez presented to the Board proposed Resolution No. 1, **attached**, which provides for an increase in OBR's line of credit with PNC from \$500,000 to \$1,000,000, consistent with prior discussions of the Board. Ms. Velazquez explained that OBR maintains the line of credit as a resource for, among other things, covering expenditures in the event of longer than normal delays in payment of School District receivables, or other unexpected financial needs of OBR. Ms. Velazquez confirmed that the approval of Community Academy of Philadelphia ("CAP"), required pursuant to OBR's bond documents and lease arrangements with CAP, had already been obtained. Following a discussion of the proposed line of credit increase, upon a motion duly made and seconded, the Board approved Resolution No. 1 by roll-call vote, as set forth therein, and authorized Ms. Hawk to execute, on behalf of OBR, all documentation necessary to effect such line of credit increase.

Fifth, Ms. Velazquez presented to the Board proposed Resolution No. 2, **attached**, which provides for the engagement of PFM Asset Management LLC ("PFMAM") to perform calculations relating to rebate requirements under the Internal Revenue Code of 1986 with respect to OBR's bonds. Ms. Velazquez explained that OBR goes through such assessment process every five years, as required under OBR's bond documentation, to confirm that OBR's bonds are not subject to taxation. Ms. Velazquez reviewed the key terms of PFMAM's rebate compliance services proposal and proposed authorization letter, which were shared with Board members prior to the meeting, and confirmed that she, Ms. Hawk and Mr. Whisman met with PFMAM representatives and recommend proceeding with the engagement of PFMAM for such services. Mr. Proietta disclosed, for the record, that his nephew works for PFMAM, but that Mr. Proietta was not involved in OBR's process for considering and selecting PFMAM and was not aware of such process until review of the Board materials for this meeting. Following such disclosure, upon a motion duly made and seconded, the Board approved Resolution No. 2 by roll-call vote, as set forth therein. Ms. Velazquez also provided an update regarding OBR's recent completion of workers compensation, retirement and financial audits. Ms. Velazquez reported that a copy of OBR's financial audit should be available soon and, once a final copy is available, the financial audit report will be shared with the School District.

Sixth, Mr. Proietta reminded the Board that, at the last Board meeting, the Board approved the appointment of Ms. Hawk as permanent CEO of OBR, with a corresponding increase in salary from \$140,000 to \$150,000, subject to (1) review and approval by the Board of a contract with Ms. Hawk for such role and (2) Ms. Hawk's satisfactory completion of a probationary period. Mr. Proietta shared his thoughts on the wonderful job Ms. Hawk has done through such probationary period and proposed that Ms. Hawk be officially appointed CEO of OBR, effective October 1, 2023. Following a discussion of such proposal, upon a motion duly made and seconded, the Board members present unanimously approved, by voice vote, the appointment of Ms. Hawk as CEO of OBR with previously agreed salary increase, effective October 1, 2023, with a contract between OBR and Ms. Hawk reflecting such updated title and salary to follow.

Seventh, Mr. Proietta requested an update from the CEO. Ms. Hawk first provided a staffing update. Ms. Hawk discussed OBR's various efforts to balance filling necessary positions, while also taking into account OBR's budget and current enrollment. Ms. Hawk reviewed with the Board a number of new, combined and eliminated employee roles resulting from such efforts, as well as employee hires and separations since the last Board meeting. Ms. Hawk also noted some current employee vacancies, which Ms. Hawk expects to leave vacant, pending higher enrollment. Ms. Hawk noted for the record that an enrollment update was provided earlier in the meeting.

Eighth, Mr. Proietta requested an academic update. Dr. Johnson first shared insight on various efforts and initiatives at OBR to provide teachers with more autonomy in the classroom, including additional leadership training for the Deans of Academics to bolster their ability to assist with the development of teachers. Dr. Johnson next shared with the Board OBR's recent emphasis on focused observation areas and coaching for OBR's Principals. Dr. Johnson explained that she worked with the Principals to create bi-weekly walkthroughs at each of the campuses, during which they will observe or otherwise work on specific areas of School District focus. Dr. Johnson explained that the areas of focus will be tiered so that any areas that are particularly struggling, or teachers who require additional support, will receive greater focus and support. In response to a question from the Board, Ms. Hawk reported that the new initiatives have been well-received by teachers, particularly the efforts to allow teachers more autonomy in their classrooms. The Board also discussed the lack of turnover among teachers this year and the consistently good morale of the teachers.

Ninth, Mr. Proietta asked whether there was any additional new business to come before the Board. Ms. Hawk reported that OBR will have a single graduation in July, for the whole school year, and is looking for alternative venues for graduation given how expensive OBR's prior graduation venue has gotten. The Board briefly discussed OBR's budget for prom and other student activities, including potential fundraising activities, as well as the lack of any budget for printing yearbooks, which were historically given to students at no cost. The Board discussed the possibility of a digital year-book, perhaps in video format, that could be created and shared at lower cost. In response to a question from a Board member, Ms. Hawk reported that operational walkthroughs by the School District will occur in October and/or November, with instructional walkthroughs likely occurring in February and/or March. The Board discussed the timing, purpose and focus of such walkthroughs.

Tenth, there being no additional new business to come before the Board, Mr. Proietta reminded attendees that the next Board meeting is scheduled for December 6, 2023, at 3:00 PM. Thereafter, upon a motion duly made, seconded and unanimously approved by the Board, the meeting was adjourned at 3:45 PM.