



One Bright Ray, Inc. Board Meeting Agenda ^(A)

October 1, 2025 at 3:00P.M.

Via Zoom

I. Call to Order

II. Amend, Review and Approve Minutes

1. Review board minutes from meeting held on June 5, 2025 ^(B)

III. Financials Review & Updates: Frances Velazquez, CFO & Vertex Education

1. Financial Statements as of August 31, 2025 ^(C)
2. Conflict of Interest form via DocuSign ^(D)
3. Benefit Renewal Status, effective December 2025 ^(E)

IV. OBR, Inc. Updates: Monica Hawk, CEO

1. OBR Inc Organizational Chart ^(F)
2. Staffing Updates ^(G)
3. Enrollment Updates ^(H)

V. Operations Updates: Monica Hawk, CEO

1. Summer projects update
 - a. HVAC unit - SC
 - b. Fence repair - SC
2. Elmwood campus concerns

VII. New Business

1. Search for additional Board Members
2. Next Board meeting Wednesday, December 3, 2025
3. 2025-2026 Board Meeting schedule ^(I)

VIII. Motion to Adjourn

**INTERNATIONAL EDUCATION AND COMMUNITY INITIATIVES
D/B/A ONE BRIGHT RAY, INCORPORATED**

**Minutes of a Meeting
of the Board of Directors
Held June 4, 2025**

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, June 4, 2025. The following Board members were present at the meeting: Joseph H. Proietta, EDM., President and Founder; Alberta P. O’Brien, EdD; Cassandra McLaughlin, MS; and Joycet Velasquez, M.Ed. Also present at the meeting were Monica Hawk, Chief Executive Officer (“CEO”); LaToya Johnson, PhD, Chief Academic Officer (who joined after the meeting was called to order); Frances Velazquez, Chief Financial Officer; Michael Whisman, CPA, President of Vertex Education (“Vertex Education”); Kelly Wojtan, MBA, Accountant with Vertex Education; and Maria Granholm, JD, of Duane Morris LLP. Board members Ludmiladia Gomez, BA and Érica Mendez were absent from the meeting.

Mr. Proietta served as Chair of the meeting and, having met a quorum, called the meeting to order at 4:18 p.m.

First, Mr. Proietta noted, for the record, that prior to calling to order the general Board meeting, the Board held an executive session to discuss confidential personnel matters.

As the second order of business, Mr. Proietta called for a review of the **attached** minutes from the meeting of the Board held on April 30, 2025, which were made available to the Board for review 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 April 30, 2025 were unanimously approved, by voice vote, by the Board members present at the meeting.

Third, Mr. Proietta requested a financial update. Mr. Whisman reviewed with the Board the **attached** unaudited financial statements for the ten (10)-month period ended April 30, 2025 (the “Financial Statements”). Mr. Whisman first reviewed OBR’s budget-to-actual performance for the ten (10)-month period, pointing out that the OBR programs are collectively projected to end their fiscal year with an increase in net assets of \$871,996 (a positive variance of \$924,102 as compared to OBR’s budget). Ms. Velazquez provided further detail regarding the projected surplus, reporting that, among other variances to budget, with respect to OBR CHS, (1) revenues are projected to be \$834,988 over budget, primarily due to higher than budgeted enrollment and (2) total personnel expenditures are projected to be under budget by \$195,058 as a result of lower than budgeted employee benefit school administrative salaries and employee benefits, partially offset by higher than budgeted instructional, non-instructional and OBR administrative salaries. Mr. Whisman and Ms. Velazquez reminded the Board that OBR’s 2024-2025 budget assumed 60% enrollment in OBR’s evening programs and 90% enrollment in OBR’s day programs, which assumptions are conservative and thus are helping to drive OBR’s better-than-budgeted financial performance.

Mr. Whisman next reviewed with the Board OBR's summary balance sheet at April 30, 2025, highlighting that OBR's cash and cash equivalents increased by \$926,407 from June 30, 2024 to April 30, 2025. Mr. Whisman also noted that, as of April 30, 2025, the interest rate on OBR's PNC bank account was 2.32%.

Next, Mr. Whisman reviewed with the Board the debt covenant calculation for each of OBR and Community Academy of Philadelphia ("CAP"), which was included in the Financial Statements with CAP's approval (in light of the mutual bond covenants and cross-collateralization under OBR's bond documents). Mr. Whisman confirmed that the projected debt-service coverage ratio ("DSCR") for the fiscal year ended June 30, 2025 was 2.19 for OBR and 2.46 for CAP, both of which satisfy the entities' individual and combined DSCR requirements under their bond documents.

Ms. Hawk confirmed that, consistent with the Board's prior guidance, OBR is using some of its cash surplus to order new staff laptops, which will be reflected in OBR's 2024-2025 year-end financial statements. Ms. Velazquez also reported that OBR is proceeding with replacement of a rooftop HVAC unit at OBR's Simpson campus, including payment of a 50% deposit, which will be submitted for reimbursement out of OBR's project fund.

Fourth, Mr. Whisman reviewed with the Board the attached updated draft budget for OBR's 2025-2026 fiscal year (the "Updated Budget"). Mr. Whisman reviewed with the Board key metrics from the Updated Budget and several assumptions upon which the Updated Budget was prepared, including previously discussed and unchanged assumptions, as well as, among other things, (1) a reduction in interest rate revenue given interest rate trends, and (2) a reduction in technology expenses given that laptops are being replaced in the current fiscal year. The Board asked several questions regarding the Updated Budget, which Mr. Whisman and OBR management answered. Following discussion of the Updated Budget, upon a motion duly made and seconded, the Board reviewed and approved the Updated Budget, as reflected in Resolution No. 1 attached hereto, by roll-call vote, as reflected therein.

Fifth, Ms. Velazquez reviewed with the Board the attached renewal letter for OBR's existing \$1 million revolving line of credit with PNC, reflecting an extension of the expiration of such line of credit from July 31, 2025 to July 31, 2026. Following a discussion of such renewal and the adequacy of the amount of the line of credit, upon a motion duly made and seconded, the Board ratified and approved the extension by roll-call vote, with Mr. Proietta, Dr. O'Brien, Ms. McLaughlin and Ms. Velasquez voting in favor of the extension and Ms. Gomez and Ms. Mendez absent.

Sixth, Ms. Velazquez discussed with the Board opportunities to earn higher interest rates from PNC on OBR's idle cash, including by investing in certificates of deposits ("CDs") or adding a sweep vehicle, at interest rates at or around those reflected in the attached. Ms. Velazquez reported that, during a meeting with PNC, PNC recommended to herself and Mr. Whisman that OBR open a sweep account. Mr. Whisman explained how a sweep account would work, and the different options (including risk levels and interest rates) with respect to a PNC sweep account. The Board discussed the risks and rewards of proceeding with a sweep account, as well as what threshold amount of cash should be retained in OBR's deposit account before any amount would be "swept" into the sweep account. Following a lengthy discussion of the foregoing, upon a motion

duly made and seconded, the Board authorized OBR's business office to proceed with opening a sweep account with PNC, with a \$500,000 threshold, with all other account terms to be as determined reasonable and appropriate by OBR management. Such approval was given by roll-call vote, with Mr. Proietta, Dr. O'Brien, Ms. McLaughlin and Ms. Velasquez voting in favor of the same, and Ms. Gomez and Ms. Mendez absent.

Seventh, Ms. Velazquez reported that OBR's commercial insurance is set to renew July 1, 2025. Ms. Velazquez noted that OBR has not yet received a renewal proposal, but she agreed to circulate such renewal proposal to the Board following receipt. Following a brief discussion by the Board, the Board authorized OBR management, including Ms. Velazquez, to proceed with renewing the commercial insurance policies and report back to the Board on any cost increase and any adjustments that would be necessary to the Updated Budget based upon any such insurance cost increases.

Eighth, Ms. Velazquez reported that OBR applied for and was awarded a Dollar General literacy grant for \$7,500. Ms. Hawk advised that the grant money can be used for classroom supplies and technology for OBR evening programs to promote literacy, and OBR will be required to report its use of such grant funds to the grantor by April 2026.

Ninth, Ms. Hawk presented the attached slides outlining a proposed change to the date of OBR's contracts. Following such presentation and a brief discussion thereof, the Board members present at the meeting unanimously approved the change of contract dates as reflected in the slides, by voice vote.

Tenth, Ms. Hawk reviewed with the Board proposed salary scale increases for OBR's principals and Chief Academic Officer for the 2025-2026 school year. The Board asked several questions regarding, among other things, the allocation of responsibility among the principals, deans of academics, teachers and support staff, and the difference between campuses, as well as the appropriate ranges for salaries based on size of campus, tenure, etc., which questions were answered by Ms. Hawk. Following such discussion, upon a motion duly made and seconded, the Board members present at the meeting unanimously approved the salary increases reflected in the slides, by roll-call vote, with Mr. Proietta, Dr. O'Brien, Ms. McLaughlin and Ms. Velasquez voting in favor of the salary increases and Ms. Gomez and Ms. Mendez absent. Dr. LaToya Johnson, OBR's Chief Academic Officer joined the meeting during the foregoing discussion.

Eleventh, Mr. Proietta requested a CEO update. Ms. Hawk first provided an enrollment update by campus, confirming that OBR is 97% enrolled for its daytime programs and that participation in OBR's summer session is optional for its students.

Next, Ms. Hawk provided a facilities update, reiterating that OBR is proceeding with replacement of a rooftop HVAC unit at OBR's Simpson campus, including payment of the 50% deposit. Ms. Hawk also reported that, since the last Board meeting, the School District sent people to fix the air conditioning at OBR's Elmwood campus, several longtime roof leaks and some plumbing issues. Ms. Hawk reminded the Board that OBR leases space from the School District for OBR's Elmwood campus and updated the Board that, following the School District fixing the air conditioning and roof leaks at the Elmwood campus, OBR executed its lease renewal for such space. Ms. Hawk also reminded the Board that the lease renewals for OBR's Elmwood and

Strawberry Mansion campuses are part of OBR's contract with the School District and, thus, were already approved by the Board as part of the Board's approval of such contract.

Twelfth, Ms. Hawk provided updates with respect to OBR CHS. Ms. Hawk provided an update with respect to completion of Module 3, with 93 total graduates and anticipated graduates. Ms. Hawk also provided updates regarding current enrollment for Module 4 (OBR's optional summer session) for OBR's day and evening programs.

Thirteenth, Mr. Proietta asked whether there was any new business to come before the Board. Ms. Hawk reviewed with the Board the **attached** tentative 2025-2026 Board meeting schedule. Following a brief discussion of the tentative Board meeting schedule, upon a motion duly made and seconded, the Board members present at the meeting unanimously approved and adopted the 2025-2026 Board meeting schedule, by voice vote.

Next, Mr. Proietta requested that Board members provide any recommendations for new Board members to him over the summer so that they can be considered for appointment at the next Board meeting, which is scheduled for October 1, 2025. Mr. Proietta suggested that the Board add at least two (2) additional disinterested members in the upcoming school year.

Finally, Mr. Proietta, on behalf of the Board, congratulated OBR management on a great year.

Fourteenth, there being no additional new business to come before the Board, upon a motion duly made, seconded and unanimously approved by the Board members present at the meeting, by voice vote, the meeting was adjourned at 5:00 PM.

IECI
Financial Statements
August 31, 2025

Table of Contents

	Page(s)
Narrative	1 - 2
Statements of Financial Position	3
OBR Program Reports	
IECI - Budget vs. Actual	4
OBR Community HS - Budget vs. Actual	5

September 2025

Members of the Board of Trustees
IECI

This Summary and Management Report presents information we believe is important to you as members of the school board. We encourage you to review the sections of this report, and we would be pleased to provide additional information as requested.

1. Actual to Annual Budget for the two months ending August 31, 2025

ACTUAL- ANNUAL BUDGET OBR		
August 31, 2025		
	Actual	Annual Budget
OBR non-profit		
Revenue	210,818	1,263,081
Expense	-	1,653,601
Change in net assets	210,818	(390,520)
OBR CHS		
Revenue	9,563	12,187,753
Expense	1,454,795	11,911,889
Change in net assets	(1,445,232)	275,864
TOTAL		
Revenue	220,381	13,450,834
Expense	1,454,795	13,565,490
Change in net assets	(1,234,414)	(114,655)

- Key variances include:

OBR CHS:

- Total personnel expenditures are over budget by \$39,127 to the net of:
 - Instructional and non-instructional salaries are \$5,057 under budget.
 - For the past fiscal year, we are accrued the summer pay for instructional staff. This was reversed in August and is not an entry made in prior years.
 - Increased OBR administrative and school administrative salaries to net to \$21,476 over budget.
 - Employee Benefits are \$22,707 over budget. This is primarily due the September health insurance payment made in August.

2. Balance Sheet

Balance Sheet Analysis	June 30, 2024 Audited	June 30, 2025 Unaudited	August 31, 2025
Cash and Equivalents	3,372,026	5,611,860	5,799,185
Receivables	3,115,427	2,090,398	(1)
Prepaid Expenses	37,173	161,973	18,876
Accrued Expenses	204,225	754,184	215,589
Net Income (Loss)	425,729	539,508	(1,234,414)

- Cash position increased by \$187,325 from June 30, 2025, to August 31, 2025.
- As of August 31, 2025, the interest rate on the PNC bank account is 2.32%

ONE BRIGHT RAY
Statements of Financial Position
As of August 31, 2025

	(1) OBR Non-profit	(2) OBR CHS	TOTAL	June 30, 2025 Unaudited
<u>ASSETS</u>				
Current Assets				
Cash and Cash Equivalents	611,369	5,187,816	5,799,185	5,611,860
District Receivables	-	(1)	(1)	2,090,398
Federal Receivables	-	-	-	-
Prepaid Expenses	100	18,776	18,876	161,973
Total Current Assets	611,468	5,206,591	5,818,060	7,864,230
Fixed Assets				
Land	650,000	-	650,000	650,000
Buildings	15,856,946	-	15,856,946	15,856,946
Leasehold Improvements	4,065,974	865,914	4,931,887	4,931,887
Furniture, Fixtures & Equipment	-	1,562,157	1,562,157	1,562,157
Vehicles	-	86,884	86,884	86,884
Other Fixed Asset	-	45,886	45,886	45,886
Closing Costs	690,289	-	690,289	690,289
Fixed Assets Total	21,263,209	2,560,840	23,824,049	23,824,049
Right of Use - Lease Asset	-	3,152,141	3,152,141	3,152,141
Accumulated Depreciation	(10,623,561)	(3,672,917)	(14,296,478)	(14,296,478)
Total Fixed Assets	10,639,648	2,040,065	12,679,712	12,679,712
Other Assets				
Deferred Costs - Net	555,017	48,989	604,006	604,006
Net Other Assets	555,017	48,989	604,006	604,006
Assets Related to 2018 Financing				
Project Fund	79,872	-	79,872	79,317
Repair & Replacement Accounts	250,000	-	250,000	250,000
Debt Service Reserve Fund	1,199,638	-	1,199,638	1,191,258
Revenue Fund	592,357	-	592,357	390,474
Total Assets Related to Financing	2,121,867	-	2,121,867	1,911,050
TOTAL ASSETS	13,928,000	7,295,645	21,223,645	23,058,997
<u>LIABILITIES & EQUITY</u>				
LIABILITIES				
Current Liabilities				
Accounts Payable	-	(13,759)	(13,759)	48,584
Accrued Expenses	-	215,589	215,589	754,184
Deferred Revenues	-	-	-	-
Total Current Liabilities	-	201,830	201,830	802,768
Long-Term Liabilities				
Bonds Payable (Series 2018 A&B)	17,410,000	-	17,410,000	17,410,000
Issuance Cost Discount	(299,275)	101,999	(197,276)	(197,276)
Lease Obligations	-	3,164,076	3,164,076	3,164,076
Total Long-Term Liabilities	17,110,725	3,266,075	20,376,800	20,376,800
TOTAL LIABILITIES	17,110,725	3,467,906	20,578,631	21,179,568
EQUITY				
Unrestricted	(3,393,543)	5,272,972	1,879,429	1,339,921
Net Income	210,818	(1,445,232)	(1,234,414)	539,508
TOTAL EQUITY	(3,182,725)	3,827,740	645,015	1,879,429
TOTAL LIABILITIES & EQUITY	13,928,000	7,295,645	21,223,645	23,058,997

ONE BRIGHT RAY - NON-PROFIT
BUDGET to ACTUAL REPORT
For the Two Months Ending August 31, 2025

	<u>[A] Actual - Unaudited</u>	<u>[B] YTD Budget</u>	<u>[C] = [A] - [B] Amount Over (Under) Budget</u>
<u>REVENUES</u>			
Rental Revenues			
CAP 1100 E. Erie	166,617	166,617	-
OBRCHS Intercompany	30,563	30,563	-
Total Rental Income	197,180	197,180	-
 Interest Earned on Debt	 13,637	 13,333	 304
 TOTAL REVENUES	 <u>\$ 210,818</u>	 <u>\$ 210,514</u>	 <u>\$ 304</u>
<u>EXPENDITURES</u>			
Debt Service			
Depreciation	-	-	-
Amortization	-	-	-
Interest	-	-	-
Total Debt Service	-	-	-
 Total Expenditures	 <u>\$ -</u>	 <u>\$ -</u>	 <u>\$ -</u>
 Net Change in Fund Balance	 <u>\$ 210,818</u>	 <u>\$ 210,514</u>	 <u>\$ 304</u>

ONE BRIGHT RAY - OBRCHS
BUDGET to ACTUAL REPORT
For the Two Months Ending August 31, 2025

	[A] Actual - Unaudited	[B] YTD Budget	[C] = [A] - [B] Amount Over (Under) Budget
<u>REVENUES</u>			
School District Revenue - Day	-	-	-
School District Revenue - Evening	-	-	-
Revenue from Federal Grants	-	-	-
Food Program Revenue	2,051	-	2,051
Student Revenues	1,057	2,479	(1,422)
Fundraising Revenue	-	-	-
Miscellaneous Revenue	6,455	10,000	(3,545)
Total School Operations Revenue	9,563	12,479	(2,916)
TOTAL REVENUES	\$ 9,563	\$ 12,479	\$ (2,916)
<u>EXPENDITURES</u>			
Salaries			
OBR Administration Salaries	96,815	85,845	10,970
School Administration Salaries	213,539	203,033	10,506
Instructional Salaries	124,632	157,013	(32,382)
Non-Instructional Salaries	407,718	380,393	27,324
Total Salaries	842,704	826,285	16,419
Employee Benefits			
Health and Dental	237,559	161,540	76,019
FICA	63,787	100,835	(37,048)
Retirement Contributions	52,788	62,388	(9,601)
Other Employee Benefits	1,821	8,484	(6,663)
Total Employee Benefits	355,955	333,247	22,707
Professional Fees	43,800	39,634	4,166
Cleaning	5,803	4,167	1,636
Utilities	9,767	10,333	(567)
Maintenance	15,915	15,133	782
Rent	39,227	38,942	285
Auto	335	-	335
Insurance	25,277	26,823	(1,546)
Communications	6,736	6,833	(97)
Advertising	120	240	(120)
Printing	2,041	1,000	1,041
Food Service	2,836	10,545	(7,709)
Travel	140	1,167	(1,027)
Supplies	37,312	37,097	215
Food	910	1,500	(590)
Technology	46,300	45,000	1,300
Property & Equipment	1,072	-	1,072
Dues & Fees	5,709	4,795	913
Student Activities	12,588	14,789	(2,201)
Professional Development	249	5,000	(4,751)
Employee Appreciation	-	267	(267)
Student Assessment	-	-	-
Total Operating Expenditures	256,137	263,265	(7,129)
Total Expenditures	\$ 1,454,795	\$ 1,422,797	\$ 31,998
Net Change in Fund Balance	\$ (1,445,232)	\$ (1,410,318)	\$ (34,913)

Chief Financial Officer

One Bright Ray, Inc.
1142 E. Erie Ave.
Philadelphia, PA, 19124



ANNUAL CONFLICT OF INTEREST DISCLOSURE FORM

Name (please print)

Department

Date

Rank/Position at IECI/OBR

It is the policy of International Education and Community Initiatives d.b.a. One Bright Ray, Incorporated ("OBR," "we," "us" or "our") to address how issues of actual, potential and perceived conflicts of interest involving directors on OBR's Board of Directors (the "Board"), officers and management employees (as defined below) should be identified, disclosed and managed.

OBR-108 Conflict of Interest Policy:

SECTION 1. PURPOSE

The purpose of this conflict of interest policy is to protect the tax-exempt interests of OBR when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer or management employee of OBR or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Maintenance of OBR's tax-exempt status is important both for its continued financial stability and for public support. The IRS and state regulatory tax officials view the operations of OBR as a public trust, which makes us subject to scrutiny by and accountable to such governmental authorities as well as members of the public. Consequently, there exists between OBR and its Board, officers and management employees a public fiduciary duty which carries with it a broad and unbending duty of loyalty and fidelity. The Board, officers and management employees have the responsibility of administering the affairs of OBR honestly and prudently, and of exercising their best care, skill and judgment for the sole benefit of OBR. These persons, so interested, shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with OBR or knowledge gained

therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

SECTION 2. PERSONS CONCERNED

This policy applies to any interested person. Any director, officer or management employee who has a direct or indirect financial or other interest (each an “interest”), as described in Section 3, is an interested person. A person is a “management employee” if she or he is an employee of OBR who can influence the actions of OBR through actions including, but not limited to, making purchasing decisions or having proprietary information concerning OBR.

SECTION 3. WHERE CONFLICT MAY ARISE

A director, officer or management employee has an interest if the person has, directly or indirectly, through business, investment, family, friends or other OBR employees, an ownership or investment interest in, or arrangement, whether or not compensatory, with:

1. Any entity, organization or individual with which OBR transacts or arranges for the supply of goods and services;
2. Any entity, organization or individual from whom OBR leases property or equipment;
3. Any competing or affinity organizations;
4. Any individual or organizational donor or other individual or entity supporting OBR;
5. Any agencies, organizations, or associations that affect the operations of OBR;
6. OBR or with any entity, organization or individual with which OBR has a transaction or arrangement;
7. Any entity, organization or individual with which OBR is negotiating a transaction or arrangement or planning to deal in connection with the gift, purchase or sale of real estate, securities, or other property;
8. Any third party entity dealing with OBR to serve as a director, board member, manager, or employee (or former employee); and
9. Any record of using OBR time, personnel, equipment, supplies, or goodwill for activities, programs, and purposes other than those approved by OBR.

Compensation includes direct and indirect remuneration for services with respect to individual transactions involving OBR as well as receipt of gifts or favors that are not insubstantial. Receipt of any gift is disapproved except for gifts less than \$50.00 in value that could not be refused without discourtesy. No personal gift of money should ever be accepted.

Having an interest is not necessarily a conflict of interest. Under Section 5, a person who has an interest must disclose such interest to the Board, and may have a conflict of interest only if the Board or an appropriate committee decides that a conflict of interest exists.

SECTION 4. INTERPRETATION OF THIS STATEMENT OF POLICY

The parties with whom a person may have an interest and the relations that may give rise to an interest listed in Section 3 are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that the directors, officers and management employees will recognize such areas and relations by analogy.

The fact that one of the interests described in Section 3 exists does not necessarily mean that a conflict of interest exists, or that the conflict of interest, if it does exist, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances, it is necessarily adverse to the interests of OBR.

However, it is the policy of the Board that the existence of any of the interests described in Section 3 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the Board, officers and management employees to scrutinize their transactions and external business interests and relationships for potential conflicts and to immediately make such disclosure.

SECTION 5. DISCLOSURE POLICY AND PROCEDURE

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the potential interest and be given the opportunity to disclose all material facts to the directors and members of appropriate committees with Board delegated powers considering the proposed transaction or arrangement.

Disclosure of an interest involving a director or management employee must be made to the chief executive officer (or if she or he is the one with the conflict, then to the Board chair), who shall bring the matter to the attention of the Board or the appropriate committee considering the proposed transaction or arrangement. Disclosure of an interest involving directors must be made to the Board chair (or if she or he is the one with the conflict, then to the Board vice-chair), who shall bring these matters to the Board or to the appropriate committee.

A transaction or arrangement with a party with whom an actual or potential conflicting interest exists may be undertaken only if all of the following procedures are implemented:

1. An interested person makes a presentation at the Board or the appropriate committee meeting, but, after the presentation, she or he shall leave the meeting and shall be excluded from the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest;
2. The chair of the Board or the appropriate committee shall, if appropriate, appoint a disinterested person or a committee to investigate alternatives to the proposed transaction or arrangement;
3. After exercising due diligence, the Board or the appropriate committee shall determine whether OBR can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest;

4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or the appropriate committee shall determine by a majority vote of the disinterested directors (even if the disinterested directors constitute less than a quorum) whether the contemplated transaction or arrangement is in OBR's best interest, for its own benefit, and whether it is just, fair and reasonable. In conformity with the above determination, the Board or the appropriate committee shall make its decision as to whether to enter into the transaction or arrangement. The decision of the Board or the appropriate committee on these matters will rest in their sole discretion, and their concern must be the welfare of OBR and the advancement of its purpose; and
5. The interested person provides competitive bids or comparable valuations to the Board demonstrating market value, if applicable.

Directors, officers and management employees must avoid any interest, influence or relationship that would qualify as a conflict of interest or appear to be a conflict with OBR. If the Board or the appropriate committee has reasonable cause to believe that an interested person has failed to disclose actual or possible conflicts of interest, it shall inform such interested person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose.

If, after hearing the interested person's response and after making further investigation as warranted by the circumstances, the Board or the appropriate committee determines the interested person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

SECTION 6. RECORDS OF PROCEEDINGS

The minutes of the Board and all committees with Board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present and the Board's or the appropriate committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

SECTION 7: COMPENSATION

1. A voting director of the Board who receives compensation, directly or indirectly, from OBR for services is precluded from voting on matters pertaining to that director's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from OBR for

services is precluded from voting on matters pertaining to that member's compensation.

3. No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from OBR, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

SECTION 8: ANNUAL STATEMENTS

Each director, principal officer and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflicts of interest policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy, and
4. Understands that in order for OBR to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

SECTION 9: PERIODIC REVIEWS

To ensure that OBR operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
2. Whether partnerships, joint ventures and arrangements with management organizations conform to OBR's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further tax-exempt purposes and do not result in enurement, impermissible private benefit or in an excess benefit transaction.

SECTION 10: USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Section 9, OBR may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Disclosure of any Conflicts of Interest:

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I have received a copy of, and have read and understood, the International Education and Community Initiatives d.b.a. One Bright Ray, Incorporated (“OBR”) Conflict of Interest Policy (OBR-108) approved by OBR’s Board of Directors (the “Board”). I understand that by signing this Annual Conflict of Interest Disclosure Form for Board Members, I hereby agree to comply with OBR’s Conflict of Interest Policy and understand that OBR is federally tax-exempt and that in order for OBR to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes. I understand that as a Board member it is my obligation to act in a manner which promotes the best interests of OBR and to avoid conflicts of interest when making decisions and taking actions on behalf of OBR.

Should a possible conflict of interest arise in my responsibilities to OBR, I recognize that I have the obligation to notify, based on my position, the applicable designated individual (i.e., the chief executive officer or Board chair), and to abstain from any participation in the matter until the OBR can determine whether a conflict exists and how that conflict shall be resolved. If any relevant changes occur in my affiliations, duties or financial circumstances, I recognize that I have a continuing obligation to file an amended “Conflict of Interest Disclosure Form” with the appropriate designated office.

I understand that the information on this form is solely for use by OBR and is considered confidential information. Release of this information within OBR will be on a need-to-know basis only. Release to external parties will be only when required by law and/or federal regulations.

Signature

Date



Building Better Benefits Since 1996

One Bright Ray
Renewal Update
September 29, 2025



AGENDA

- Executive Summary
- Market update
- Medical renewal history
- Renewal overview

Carrier and Plan	
IBX Medical	<ul style="list-style-type: none"> - Renewal released overall +18.1%. - 10% concession offered bringing renewal down to 8.23% - \$20K premium credit provided, which lowers the overall renewal impact landing closer to 6% - One High Claimant with \$348k in claims - Additional \$5K wellness fund
Metlife Dental	<ul style="list-style-type: none"> - Renewal released at +15% increase. - No concession granted - UCCI, IBX, Mutual of Omaha and Equitable approached for quote
Metlife Life Insurance	<ul style="list-style-type: none"> - Flat renewal for 12/1/25, no change to the rates. - Mutual of Omaha, and Equitable approached for a cost saving quote
Additional Benefits	<ul style="list-style-type: none"> - Aflac - College Tuition through IBX

Healthcare trend is expected to be the highest in 13 years...

Key Cost Drivers:



Rising Claims Costs

- Health plan costs are rising 8–12%. Driven by:
 - Provider costs
 - Staffing shortages
 - Private Equity ownership
 - Provider contract negotiations
 - Specialty drugs (GLP-1s)
 - Delayed care



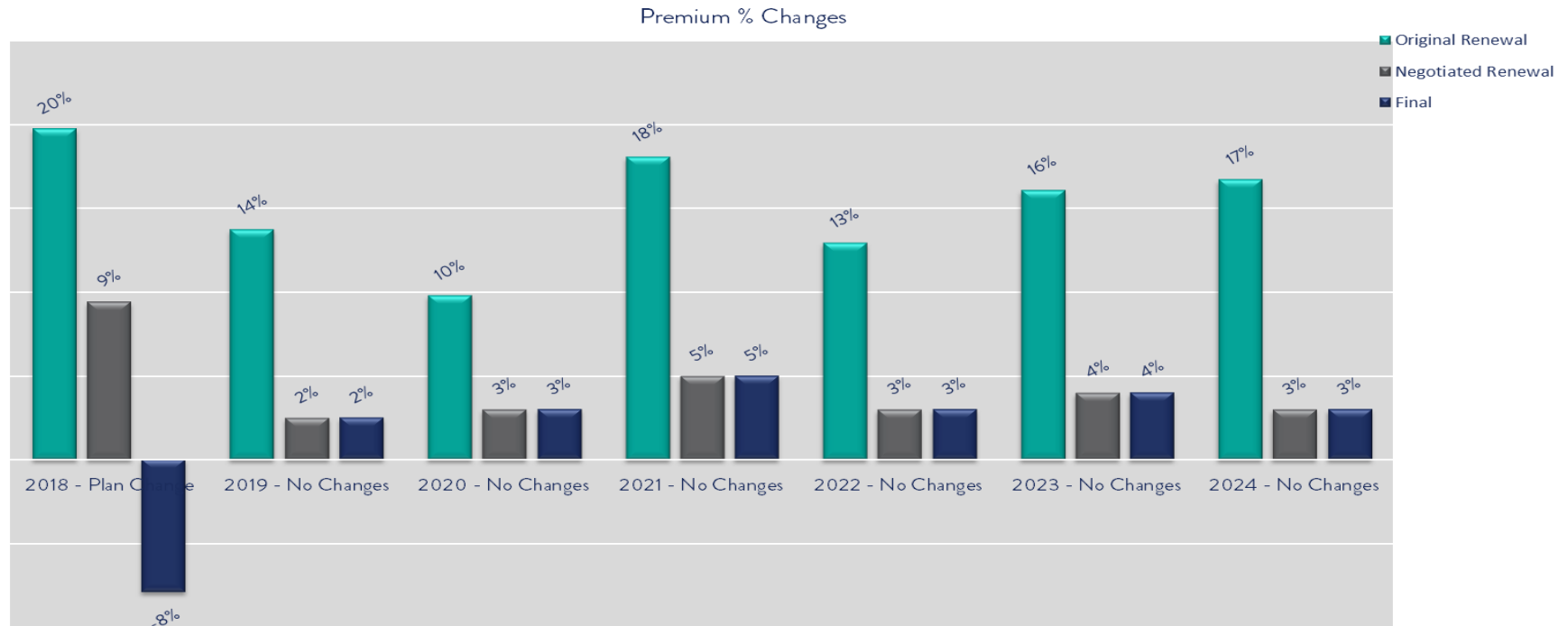
Carrier Behavior

- Stricter underwriting and fewer concessions are driving 2025 renewals up
- Average 3rd quarter renewal +25% in 2025 compared to 10-15% in 2024



Other Pressures

- Healthcare inflation is outpacing general inflation
- Legislative changes are adding cost pressures
- Philadelphia region facing higher increases than other areas



Key Statistics

- Average carrier renewal over the past 7 years was 15.3%
- Average renewal after Exude negotiations was 4.3%
- Average renewal after negotiations and plan/carrier changes was 1.8%
- Average savings per year through negotiation and plan changes was \$106,129
- Total saved through negotiations and plan/carrier changes since 2018 totaled \$742,903

A man and a woman, both wearing white lab coats, are seated at a dark wooden desk in a modern office setting. They are focused on reviewing documents. The man, on the left, is holding a piece of paper. The woman, on the right, is also holding a document. On the desk, there are two large binders, one blue and one yellow, and a clear glass of water. A small potted plant is visible in the background near a large window that looks out onto a cityscape. A white curved graphic element is positioned above the text.

Renewal Overview

2025

Premium Analysis Prepared for IECL dba One Bright Ray

	Current		Renewal			Estimated Revised Renewal		
Line of Coverage	Carrier	Monthly Premium	Carrier	Monthly Premium	%	Carrier	Monthly Premium	%
Medical Dental Ancillary	IBX	\$76,358	IBX	\$90,191	18.1%	EST. IBX	\$82,642	8.23%
	MetLife	\$4,401	MetLife	\$5,061	15.0%	MetLife	\$5,061	15.0%
	MetLife	\$315	MetLife	\$315	0.0%	MetLife	\$315	0.0%
Premium Analysis	Current		Renewal			Estimated Revised Renewal		
Total Monthly Premium	\$81,073		\$95,567			\$88,018		
Premium Abatement						(\$20,000)		
Total Annual Premium	\$972,874		\$1,146,804			\$1,036,211		
Annual Variance \$	-		\$173,930			\$63,337		
Variance %	-		17.9%			6.5%		

IBX Renewal

Medical Benefit Comparison Prepared for IECI dba One Bright Ray

Effective 12/1/2025			Current/Renewal			
Carrier	IBX					
Plan Option	POS \$20/\$40/\$250			PPO \$15/\$35/\$150		
In-Network	In-Network			In-Network		
Deductible - Individual/Family	\$0/\$0			\$0/\$0		
Primary Care / Specialist Copay	PCP \$20 (Office); \$15 (Virtual) SP \$40 (Office); \$30 (Virtual)			PCP \$15 (Office); \$10 (Virtual) SP \$35 (Office); \$25 (Virtual)		
Referrals Required	Yes			No		
Telemedicine	\$0			\$0		
Laboratory	\$0			Freestanding \$0; Hospital \$70		
Diagnostic X-Ray	\$40			\$35		
Complex Imaging	\$80			\$70		
ER Copay / Waived if Admitted?	\$250/ No			\$200/ No		
Observ. Room / Waived if Admitted?	\$250/ Yes			\$200/ Yes		
Urgent Care	\$85			\$70		
Inpatient Hospitalization	\$250/Day; 5 Day Max			\$150/Day; 5 Day Max		
Outpatient Surgery	\$250			\$150		
Fertility Benefits	standard fertility- see plan docs for details			standard fertility- see plan docs for details		
Prescription	\$3 Value Generics/\$15 Generic/\$35 Brand/\$50 Non-Formulary /50% to \$500 Specialty			\$3 Value Generics/\$15 Generic/\$35 Brand/\$50 Non-Formulary /50% to \$500 Specialty		
Routine Eye Exam	\$35			\$0		
Vision Hardware	\$100 Hardware Reimbursement/ 2 Years			\$100 Hardware Reimbursement/ 2 Years		
OOP Max - Individual/Family	\$7,900/\$15,800			\$7,900/\$15,800		
Network	Keystone POS			Personal Choice PPO		
Out-of-Network	Out-of-Network			Out-of-Network		
Deductible - Individual/Family	\$5,000/\$10,000			\$2,500/\$5,000		
OOP Max - Individual/Family	\$30,000/\$60,000			\$10,000/\$20,000		
Member Coinsurance	50%			50%		
Monthly Cost Analysis	Enrolled	Current	Renewal	Enrolled	Current	Renewal
Employee Only	39	\$635.64	\$751.41	24	\$684.64	\$807.78
Employee + Child	17	\$1,133.32	\$1,339.73	13	\$1,220.75	\$1,440.31
Employee + Spouse	0	\$1,462.58	\$1,728.96	0	\$1,575.35	\$1,858.69
Employee + Family	0	\$1,864.95	\$2,204.60	0	\$2,008.75	\$2,370.04
Premium	56	\$44,056	\$52,080	37	\$32,301	\$38,111
Variance %			18.2%			18.0%
TOTAL PREMIUM - 93 Enrolled						
Total Cost Analysis	Monthly		Annual			
Current	\$76,358		\$916,290			
Renewal	\$90,191		\$1,082,294			
Annual Variance % / \$	18.1%		\$166,004			
Revised Renewal	pending		Pending			
Annual Variance % / \$	Pending		Pending			

IBX Alternative

Medical Benefit Comparison Prepared for IECI dba One Bright Ray

Effective 12/1/2025				Current/Renewal			Alternative				
Carrier		IBX						IBX			
Plan Option		POS \$20/\$40/\$250			PPO \$15/\$35/\$150			POS \$30/\$60/\$400		PPO \$20/\$40/\$250	
In-Network		In-Network			In-Network			In-Network		In-Network	
Deductible - Individual/Family		\$0/\$0			\$0/\$0			\$0/\$0		\$0/\$0	
Primary Care / Specialist Copay		PCP \$20 (Office); \$15 (Virtual) SP \$40 (Office); \$30 (Virtual)			PCP \$15 (Office); \$10 (Virtual) SP \$35 (Office); \$25 (Virtual)			PCP \$30 (Office); \$20 (Virtual) SP \$60 (Office); \$40 (Virtual)		PCP \$20 (Office); \$15 (Virtual) SP \$40 (Office); \$30 (Virtual)	
Referrals Required		Yes			No			Yes		No	
Telemedicine		\$0			\$0			\$0		\$0	
Laboratory		\$0			Freestanding \$0; Hospital \$70			\$0		Freestanding \$0; Hospital \$80	
Diagnostic X-Ray		\$40			\$35			\$60		\$40	
Complex Imaging		\$80			\$70			\$200		\$80	
ER Copay / Waived if Admitted?		\$250/ No			\$200/ No			\$300/ No		\$250/ No	
Observ. Room / Waived if Admitted?		\$250/ Yes			\$200/ Yes			\$300/ Yes		\$250/ Yes	
Urgent Care		\$85			\$70			\$100		\$85	
Inpatient Hospitalization		\$250/Day; 5 Day Max			\$150/Day; 5 Day Max			\$400/Day; 5 Day Max		\$250/Day; 5 Day Max	
Outpatient Surgery		\$250			\$150			\$400		\$250	
Fertility Benefits		standard fertility- see plan docs for details			standard fertility- see plan docs for details			standard fertility- see plan docs for details		standard fertility- see plan docs for details	
Prescription		\$3 Value Generics/\$15 Generic/\$35 Brand/\$50 Non-Formulary /50% to \$500 Specialty			\$3 Value Generics/\$15 Generic/\$35 Brand/\$50 Non-Formulary /50% to \$500 Specialty			\$3 Value Generics/\$15 Generic/\$35 Brand/\$50 Non-Formulary /50% to \$500 Specialty		\$3 Value Generics/\$15 Generic/\$35 Brand/\$50 Non-Formulary /50% to \$500 Specialty	
Routine Eye Exam		\$35			\$0			\$40		\$0	
Vision Hardware		\$100 Hardware Reimbursement/ 2 Years			\$100 Hardware Reimbursement/ 2 Years			\$100 Hardware Reimbursement/ 2 Years		\$100 Hardware Reimbursement/ 2 Years	
OOP Max - Individual/Family		\$7,900/\$15,800			\$7,900/\$15,800			\$7,900/\$15,800		\$7,900/\$15,800	
Network		Keystone POS			Personal Choice PPO			Keystone POS		Personal Choice PPO	
Out-of-Network		Out-of-Network			Out-of-Network			Out-of-Network		Out-of-Network	
Deductible - Individual/Family		\$5,000/\$10,000			\$2,500/\$5,000			\$5,000/\$10,000		\$2,500/\$5,000	
OOP Max - Individual/Family		\$30,000/\$60,000			\$10,000/\$20,000			\$30,000/\$60,000		\$10,000/\$20,000	
Member Coinsurance		50%			50%			50%		50%	
Monthly Cost Analysis		Enrolled	Current	Renewal	Enrolled	Current	Renewal	Enrolled	Rates	Enrolled	Rates
Employee Only		39	\$635.64	\$751.41	24	\$684.64	\$807.78	39	\$722.68	24	\$790.28
Employee + Child		17	\$1,133.32	\$1,339.73	13	\$1,220.75	\$1,440.31	17	\$1,288.50	13	\$1,409.09
Employee + Spouse		0	\$1,462.58	\$1,728.96	0	\$1,575.35	\$1,858.69	0	\$1,662.86	0	\$1,818.43
Employee + Family		0	\$1,864.95	\$2,204.60	0	\$2,008.75	\$2,370.04	0	\$2,120.31	0	\$2,318.70
Premium		56	\$44,056	\$52,080	37	\$32,301	\$38,111	56	\$50,089	37	\$37,285
Variance %				18.2%			18.0%		13.7%		15.4%
Total Cost Analysis		TOTAL PREMIUM - 93 Enrolled						TOTAL ALTERNATIVE PREMIUM - 93 Enrolled			
		Monthly			Annual			Monthly		Annual	
Current		\$76,358			\$916,290						
Renewal		\$90,191			\$1,082,294			\$87,374		\$1,048,487	
Annual Variance % / \$		18.1%			\$166,004						
Revised Renewal		pending			Pending			14.4%		\$132,197	
Annual Variance % / \$		Pending			Pending						

Dental Benefit Comparison Prepared for IECI dba One Bright Ray

Effective 12/1/2024	Current		Renewal	
Carrier Plan Option	MetLife PPO		MetLife PPO	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Deductible - Individual/Family	\$25/\$75 (CY)	\$25/\$75 (CY)	\$25/\$75 (CY)	\$25/\$75 (CY)
Annual Maximum	\$1,000	\$1,000	\$1,000	\$1,000
Preventive Services	100% (Ded Waived)	100% (Ded Waived)	100% (Ded Waived)	100% (Ded Waived)
Basic Services	80%	80%	80%	80%
Major Services	50%	50%	50%	50%
Endo, Perio, Anesthesia, Oral Surgery	80%	80%	80%	80%
Orthodontic Services	50% to \$1,000 Lifetime Max		50% to \$1,000 Lifetime Max	
Out of Network Reimbursement	N/A	Fee Schedule	N/A	Fee Schedule
Additional Features		Additional Features	Additional Features	
Frequency of Exams/Cleanings	2 Per Year/ 2 Per Year		2 Per Year/ 2 Per Year	
White Fillings	Anterior & Posterior		Anterior & Posterior	
Dependent Age Limits (Child/FTS)	To Age 26		To Age 26	
Open Enrollment Included?	Yes		Yes	
Late Entrant Penalties	Late enrollees cannot enroll unless subject to a qualifying life event		Late enrollees cannot enroll unless subject to a qualifying life event	
Guidelines		Guidelines	Guidelines	
Network	PPO	Any Dentist	PPO	Any Dentist
Participation Requirements	89% and at least 10 lives		89% and at least 10 lives	
Rate Guarantee	1 Year		1 Year	
Enrollment / Rates	Enrolled	Rate	Enrolled	Rates
Employee Only	65	\$31.30	65	\$36.00
Employee + Dependent (s)	28	\$84.50	28	\$97.18
Monthly Premium	93	\$4,401	93	\$5,061
Annual Premium		\$52,806		\$60,732
Annual Variance \$				\$7,926
Variance %				15.0%

Employer Paid Ancillary Benefit Comparison Prepared for IECI dba One Bright Ray

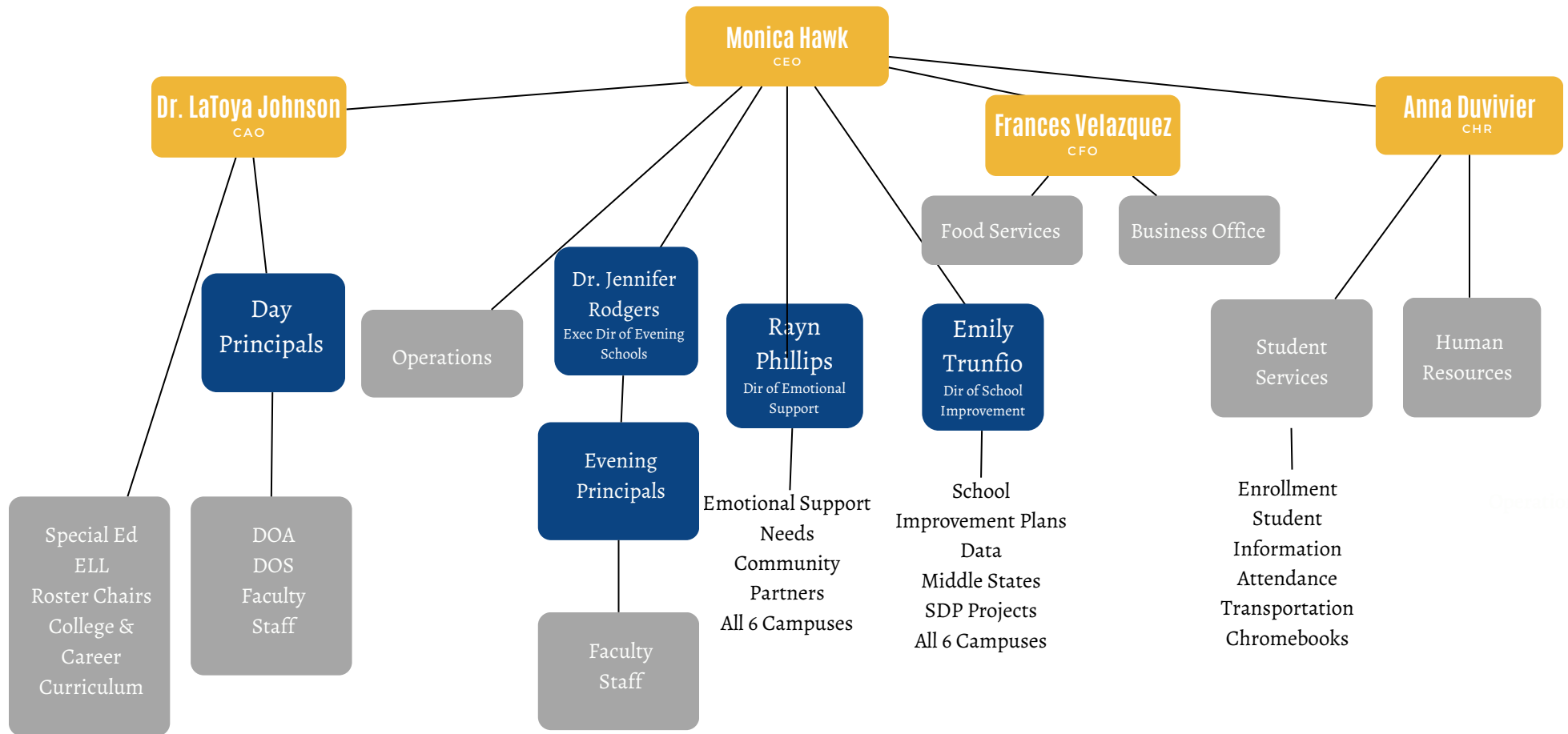
Effective 12/1/2024	Current	Renewal
Life & AD&D	MetLife	MetLife
Benefit Amount	Flat \$50,000	Flat \$50,000
Guaranteed Issue	\$50,000	\$50,000
Age Reduction	35% @ age 65; 50% @ age 70	35% @ age 65; 50% @ age 70
Rate Guarantee	1 Year	1 Year
Volume	\$4,947,619	\$4,947,619
Life Rate/\$1,000	\$0.046	\$0.046
AD&D Rate/\$1,000	\$0.017	\$0.017
Total Cost Analysis	Total Premium	
Enrollment	100	100
Monthly Premium	\$312	\$312
Annual Premium	\$3,740	\$3,740
Annual Variance \$		\$0
Variance %		0.0%



EXUDE

confidence in your
employee benefits.

ONE BRIGHT RAY 2025-2026



Enrollment Updates

Current Enrollment as of 9/24/25

Day Campuses – 642 students (77.8% enrollment)

Fairhill - 205 (of 270 seats)

Simpson - 228 (of 270 seats)

Elmwood - 102 (of 135 seats)

Mansion - 107 (of 150 seats)

New Student Orientation scheduled for October 8, 2025 with a start date of October 14, 2025.
44 students already registered with lots of additional interviews scheduled

Evening Campuses – 205 students (68.3% enrollment)

Mansion Evening - 75 (of 150 seats)

Simpson Evening - 130 (of 150 seats)

Board
One Bright Ray, Inc.
1142 E. Erie Ave.
Philadelphia, PA 19124



2025–2026 BOARD MEETING TENTATIVE SCHEDULE

DATE	TIME	LOCATION
Wednesday, October 1, 2025	3:00 p.m.	Zoom (Virtual Meeting)
Wednesday, November 19, 2025	3:00 p.m.	Zoom (Virtual Meeting)
Wednesday, February 4, 2026	3:00 p.m.	Zoom (Virtual Meeting)
Wednesday, April 29, 2026	3:00 p.m.	Zoom (Virtual Meeting)
Wednesday, June 3, 2026	3:00 p.m.	Zoom (Virtual Meeting)

One Bright Ray, Inc.
Board Meeting
10/1/2025
Attendance

Meeting

Joseph H. G. Proietta	Present
Alberta O'Brien	Present
Cassandra McLaughlin	Present
Ludmiladia Gomez (Pitter)	Present
Erica Mendez (DeJesus)	Present
Joycet Velasquez	Present
Kelly Wojtan	Present
Michael Whisman	Present
Maria Granholm	Present
Monica Hawk	Present
Frances Velazquez	Present
Latoya Johnson	Absent
Anna Duvivier	Absent