

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

**Minutes of a Meeting
Of the Board of Directors
Held August 30, 2017**

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 ("CAP") on August 30, 2017. The following Board members were present at the meeting, constituting a quorum: Joseph H. G. Proietta, M.Ed., President and Founder; Anna Duvivier, Vice President; Aykema Mabery; Yolanda M. Negrón; and Cassandra McLaughlin (who joined shortly after the meeting was called to order). Also present at the meeting were Marcus A. Delgado, Chief Executive Officer, Secretary and Principal of the Fairhill Campus; Joycet Velasquez, Chief Academic Officer; Frances Velasquez, Director of Financial Services; Lauren Nelson, Director of College Partnerships; Derik Hrubosky, Principal of the Simpson Campus; Marta Lasiy, Principal of the Elmwood Campus; Emily Trunfio, Vice Principal at the Fairhill Campus; Michael Whisman, accountant with Charter Choices, Inc.; Joseph Martin, financial analyst with Charter Choices, Inc. and Maria Granholm, Esq., of Duane Morris LLP. Board member Alberta P. O'Brien was absent from the meeting.

Mr. Proietta served as Chair of the meeting and, having met a quorum, called the meeting to order at 2:05 p.m.

As the first order of business, the Board reviewed the attached list of existing Board members and Board officers. Following a brief discussion, upon a motion duly made, seconded and unanimously approved, the Board elected the existing slate of Board officers to continue serving in the offices set forth under their respective names until the election and qualification of their respective successors or until their earlier death, resignation or removal.

Second, Mr. Proietta called for a review of the minutes from the meeting of the Board held on May 10, 2017. The Board reviewed the minutes then, upon a motion that was duly made and seconded, the minutes of the Board from the meeting held on May 10, 2017 were unanimously approved. The Board ordered that the minutes be placed in OBR's minute book.

Third, Mr. Proietta asked Mr. Whisman to provide a financial update. Mr. Whisman first discussed with the Board the "call" option of OBR's bank, pursuant to which the bank can choose to accelerate sums due and payable under its loan to OBR in 2018. Mr. Whisman explained that, if the bank chooses to exercise such option, the bank must provide notice to that effect to OBR by June 30, 2018, and the acceleration would take effect in September 2018. The Board discussed the call option, the likelihood that the bank will exercise the call option, other possible financing options and next steps. Mr. Proietta noted that, when considering other financing options, OBR should also consider any additional significant capital expenditures anticipated in the coming years, including any building repairs/renovations.

Next, Mr. Whisman briefly reviewed the attached Financial Statements as of June 30, 2017 with the Board, including the budget to actual summary for the fiscal year then ended and

the balance sheet as of such date. Mr. Whisman noted that the numbers reflected in such Financial Statements are the same numbers as those from OBR's auditor.

Fourth, Ms. Velazquez provided a report on OBR's fourth annual golf outing fundraiser, which took place on Saturday, June 10, 2017. Ms. Velazquez reported that the golf outing raised a total of \$18,619.00, \$9,350.97 of which went to cover expenses, and reviewed with the Board a breakdown of money raised versus costs incurred in connection with the fundraiser. Ms. Velazquez noted that OBR had 24 sponsors and over 85 golfers for the event. The Board then discussed the golf fundraiser at length, including the ratio of costs to funds raised, the effectiveness of the fundraiser and whether the fundraiser should be held again. OBR administration agreed to further evaluate the effectiveness of the annual golf fundraiser in light of the Board's discussions.

Fifth, Mr. Delgado reviewed with the Board the attached 2017-2018 budget (the "Budget"). Mr. Delgado explained that the Budget was based on the 2016-2017 budget, with adjustments made based upon review of OBR's actual revenues and expenditures during the prior fiscal year, as well as an increase in revenues from the School District of Philadelphia (the "School District") as compared to the prior fiscal year. Mr. Delgado pointed out that the Budget included individualized budgets broken out for each of the OBR programs. Mr. Delgado noted that, under the Budget, the OBR programs, collectively, are budgeted to have net income of \$207,427 at the end of OBR's 2017-2018 fiscal year. Mr. Delgado discussed the material variances in the Budget (compared to the prior year) with the Board, and answered questions regarding the Budget, then, following a motion duly made and seconded, the Board unanimously approved the Budget.

Sixth, Mr. Delgado reviewed with the Board the attached 2017-2018 Salary Scales with the Board. Mr. Delgado explained that the first page reflected the 2017-2018 Salary Scale for Professional Educators, which was discussed, and approved, by the Board at its last Board meeting. Mr. Delgado then reviewed with the Board the proposed 2017-2018 Salary Range for OBR Administrators. After a discussion regarding the proposed salary scales/ranges, upon a motion duly made and seconded, the Board unanimously approved the 2017-2018 Salary Range for OBR Administrators, as presented.

Seventh, Ms. Velazquez discussed with the Board OBR's authorized signatories for its Citizens Bank and Wells Fargo accounts. Ms. Velazquez reported that OBR has four (4) authorized signatories: Mr. Proietta, Ms. Duvivier, Mr. Delgado and Ms. Velazquez. Ms. Velazquez noted that two (2) authorized signatories are required to sign all checks. The Board discussed whether the authorized signatories were appropriate, and sufficient, and concluded that they were. Upon a motion duly and seconded, the Board unanimously authorized and approved the four (4) existing authorized signatories.

Eighth, Mr. Delgado provided an updated in his capacity as Chief Executive Officer of OBR. First, he announced that OBR is in its 14th year and that he and the rest of OBR's administration is looking forward to reaching its 15-year mark. The Board discussed various ideas for celebrating, marketing and commemorating such an achievement. Next, Mr. Delgado discussed the status of OBR's facilities and personnel for the 2017-2018 school year, noting various facility improvements and changes/growth in personnel. Mr. Delgado also noted that

OBR has a few vacant positions and has had difficulty filling special education instructor positions. Several Board members noted that there seemed to be a shortage of special education instructors in the School District and confirmed experiencing similar difficulty in their roles at CAP. Ms. McLaughlin provided some suggestions for filling special education instructor vacancies including providing some suggestions for possible contractors.

Next, Mr. Delgado discussed with the Board OBR's updated Employee Handbook, copies of which were provided to the members of the Board. The Board briefly discussed the updated Employee Handbook, including the review and revision process, the input by legal counsel and the material changes. Thereafter, upon a motion duly made and seconded, the Board unanimously approved and adopted the updated Employee Handbook.

Mr. Delgado next reviewed with the Board the attached 2017-2018 Academic Calendar, which was updated to finalize certain dates as compared to the version approved by the Board at its last meeting. Mr. Delgado noted that the 2017-2018 Academic Calendar follows OBR's typical scheduling of eight weeks of instruction, followed by one week off. Following a brief discussion regarding the 2017-2018 Academic Calendar, upon a motion duly made and seconded, the 2017-2018 Academic Calendar was unanimously approved by roll call vote as follows:

1. For: Mr. Proietta, Ms. Duvivier, Ms. Mabery, Ms. Negrón and Ms. McLaughlin.
2. Against: None.
3. Abstain: None.
4. Absent: Ms. O'Brien.

Next, Mr. Delgado presented the Board with the attached 2017-2018 Board Meeting Tentative Schedule. The Board briefly discussed the schedule, and any potential conflicts, then, upon a motion duly made and seconded, the Board unanimously approved the 2017-2018 Board meeting schedule.

Ninth, Mr. Delgado introduced Ms. Trunfio, Vice Principal at the Fairhill Campus, Ms. Lasiy, Principal of the Elmwood Campus, and Mr. Hrubosky, Principal of the Simpson Campus and noted that Ms. Lasiy and Mr. Hrubosky would be providing updates regarding the Elmwood and Simpson campuses, respectively. Mr. Delgado then discussed a number of updates regarding the Fairhill Campus for the school year, including changes to scheduling and a new Tests of Adult Basic Education (TABE) program (at each campus).

Tenth, Mr. Hrubosky provided an update to the Board regarding the Simpson Campus. Mr. Hrubosky discussed several changes for the 2017-2018 school year, including the addition of a post-secondary coordinator and Dean of Academics and the addition of a new computer cart. The Board briefly discussed post-secondary efforts, initiatives and resources. Mr. Delgado noted that OBR now has a post-secondary counselor on each campus.

Eleventh, Ms. Lasiy provided an update to the Board regarding the Elmwood Campus. Ms. Lasiy reported that, thanks to construction efforts over the summer, the campus added a new

art classroom and two new offices. Ms. Lasiy also noted that Ms. Tuanski, who started at the Elmwood Campus, is back at the Elmwood Campus as the Dean of Academics, and that the campus is fully enrolled, with 90 returning students and 50 new students for the 2017-2018 school year. Mr. Delgado noted that the Fairhill and Simpson Campuses have approximately 20 and 60 slots left, respectively, and that the remaining slots are highly after. Mr. Proietta asked how the Elmwood Campus was doing overall. Ms. Lasiy responded that the administration at the campus works very well together and that the outlook by everyone at the campus is very positive. The Board briefly discussed the diversity of the Elmwood campus and its student population, and the possibility to get OBR and CAP alumni involved in supporting and mentoring students at the Elmwood Campus.

Twelfth, Ms. Nelson provided the Board with an update on the Harcum Program. Ms. Nelson reported that 30 students participated in a 3-week summer math course provided, and paid for, by Harcum College. Ms. Nelson noted that, as a result of the summer math program, 15 of the 30 students were able to test out of taking an otherwise required college math course. Ms. Nelson next reported that 112 students enrolled for the Fall semester, but that such number could drop slightly over the course of the next week before the expiration of the add/drop period. Ms. Nelson noted that, of the 112 students enrolled, 41 were new students, which was the highest number of new students in the program's history. Next, Ms. Nelson provided an update regarding funding, noting 2016-2017 ended with a \$17,000 surplus, as well as Harcum College tuition prices. The Board discussed concerns about the rising Harcum College tuition and what impact that could have on students. The Board congratulated Ms. Nelson on the successful of the program.

Thirteenth, Mr. Delgado provided an update to the Board regarding several potential growth opportunities for OBR, not only in number of students, but also in facilities and special education. The Board had a discussion regarding the pros and cons of such opportunities. Mr. Delgado noted that OBR would be discussing such opportunities further with the School District in the coming month.

There being no further business to come before the Board, upon a motion duly made, seconded and unanimously approved, the meeting was adjourned at 3:16 p.m.

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