**MINUTES OF THE BOARD OF DIRECTORS**

**BEACON COLLEGE PREP CHARTER SCHOOL**

**October 30, 2015**

The Board of Directors for Beacon College Prep Charter School held its regularly scheduled meeting on Friday, October 30, 2015 at 10:00 a.m. at Beacon College Prep – 13400 NW 28th Ave., Opa Locka, FL 33054

**Members Present**

Mr. Jeff Miller, President and Board Chair

Ms. Melissa Krinzman, Secretary

Mr. Octavio Verdeja, Treasurer

Mr. N. Patrick Range, II, Vice President

**Others Present**

Mr. Patrick Evans, Principal, Beacon College Prep

Mr. John Flickinger, Director of Development, Beacon College Prep

Richard Moreno, Building Hope

**Call to Order**

Patrick Range called the meeting to order at 10:15 a.m.

**Approval of Minutes for June 2, 2015**

Ms Krinzman presented the minutes for the 06/02/15 board meeting. Mr. Verdeja made a motion to approve as presented. Mr. Range seconded the motion and the minutes were approved unanimously.

**Treasurer’s Report**

1. Audit Report: The results of the annual audit were presented to the board by Mr. Verdeja. It was noted that the audit was “clean” with no exceptions or material concerns. It was also noted that the final audited financial statement for the fiscal year ending June 30, 2015 was adjusted (as a result of the audit) and now showed a negative fund balance of $44K. Mr. Verdeja explained that this was the result of the reclassification of pre-paid start-up expenses which we had been amoritizing over several years. Instead of amoroitizing this expense the school recognized the full start-up costs in fiscal year 2014-15.
2. Financial Statements: Mr. Verdeja presented Financial Statements for July, August & September 2015. It was noted that the 9/30/15 financial statement showed a negative fund balance of $217K. It was explained that this was the result of 1) underpayments in FTE revenue from the school district for the months of July, August and September of approximately a $113,000; 2) a Charter School Program grant reimbursement in the amount of $175,000 which we have not yet received.

It was pointed out that the shortfall in FTE funding will be made up by the end of the year. The district will not reimburse us the full amount owed at once but rather prorate this over the course of the year. Mr. Miller asked if the FTE funding due to the school could be counted as a receivable and Mr. Moreno said the school district would not recognize this. Mr. Moreno noted that any CSP funding due should be reflected in our financials as a receivable.

A discussion ensued regarding the impact this lag in FTE funding and CSP reimbursements have on the cash flow of the school. Mr. Flickinger said that because of the shortfall in FTE the school would not be able to meet payroll this month unless there was an infusion of cash from somewhere. He also noted that this was a short term problem and that once we begin receiving our full FTE payment and our CSP reimbursement the school should be fine from an operating cash perspective. The board discussed options to address both the short term cash flow issue and the longer range cash flow timing issues that result from shortfalls in district FTE funding (expected in the 1st quarter each year) and the unpredictable timing of CSP reimbursements.

Mr. Miller offered to grant Beacon College Prep $120,000 to establish a reserve fund to specifically address these issues.

Mr. Miller moved that Beacon College Prep establish a reserve fund in the amount of $120,000 which he will fund as a gift to the school. The purpose of this reserve fund is to address cash flow timing differences between receipt of FTE funds and/or CSP reimbursements. The reserve fund shall be kept in a separate account and only transferred to Beacon Prep’s operating account when there is a need arising from cash flow timing issues relating to receipt of guaranteed revenues such as FTE and CSP monies. Any transfers from the reserve account to Beacon’s operating account must be approved by Mr. Octavio Verdeja with notification to Mr. Richard Moreno. Once anticipated FTE and/or CSP funding is received, the reserve account should be reimbursed to the amount of $120,000 and this balance shall be maintained for future

After review and discussion Mr. Krinzman moved to approve the motion. Mr. Verdeja seconded the motion and it was approved unanimously.

Mr. Miller moved to accept the financial statements as presented by the Treasurer. Mr. Range seconded the motion and the financial statements were approved accordingly.

1. Budget: A revised 2015-16 budget was presented to the board. Mr. Flickinger noted that the budget was adjusted for increased enrollment (from 216 to 239) and more accurate expenses (such as payroll, etc.). Mr. Evans noted that because of increased enrollment we were able to cut the schools anticipated operating deficit by more than half from $263K to $122K. Mr. Miller requested that future budget revisions be presented with the original approved budget alongside the proposed new budget.

Mr. Verdeja moved to accept the amended budget as presented. Mr. Miller seconded the motion and the board voted unanimously to approve the revised 2015-16 budget.

**School Leader Report**

* Mr. Evans reviewed staff and student recruitment efforts and reported that the school was on target with respect to meeting enrollment numbers. Mr. Evans also noted significant success in retention of teachers and students. Teacher retention and incentive programs were discussed by the board as a means of keeping our best teachers on board.
* Mr. Evans reported that students continue to make significant gains on their STEP assessments and that the stability of the physical facility has helped students and teachers to focus and improve.
* The summer schedule was reviewed and Mr. Evans reported that the focus of the summer will be to finalize hiring of new teachers and to prep the facility for the new school year. Beacon Prep will also initiate a new student orientation program for entering kindergarteners the week prior to the official opening of the school. Teacher orientation will take place the 2 weeks prior to opening.

**Development Director’s Report:** The Development Directors report was tabled for the following meeting. Items to be discussed include:

**Old Business**

1. School Security Follow-up
2. Facilities – Summer Maintenance/Repairs
3. Facilities – New Lease Agreement & Shared Use Agreement
4. Insurance Renewals & Coverage
5. Liberty Square Development

**New Business**

* 1. Pre-K Program Development
	2. A4L After School Programming
	3. CSP Grant Increase
	4. Hands On Miami Project

**Other Business Discussed**:

* The board also discussed soliciting volunteers to assist with the academic needs of Beacon students. Mr. Miller suggested we target Ransom Everglades and Miami Country Day students as well as retired teachers, and Breakthrough alumni.

There being no further business to come before the Board, the meeting was adjourned at 12:30pm

**Approved by:**

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Melissa Krinzman, Secretary