

**MINUTES OF THE BOARD OF DIRECTORS
BEACON COLLEGE PREP CHARTER SCHOOL
October 22, 2019**

The Board of Directors for Beacon College Prep Charter School held its regularly scheduled meeting on Tuesday October 22, 2019 @ 10am at 2750 NW 135th Street, Opa-locka, FL 33054.

Members Present

Mr. Jeffrey Miller, President and Board Chair
Mr. Patrick Range, Vice President
Mr. Octavio Verdeja, Treasurer
Virginia Akar, Member

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: The meeting was called to order at 10:15am by Mr. Jeffrey Miller.

Approval of Minutes: The minutes of the 05/28/19 board meeting were reviewed. Mr. Miller moved to accept the minutes. Mr. Range seconded the motion and the minutes were approved unanimously.

Treasurer's Report:

1. **2018-19 Audited Financial Statements:** Mr. Verdeja reviewed the financial audits for each school noting that both BCP Elementary and BCP Middle School received clean audits. He also made the following observations and recommendations to the board:
 - Allocations between the two schools were an issue. The allocations between the two schools for shared expenses need to be clearer in our book keeping as well as updated at least quarterly. He recommended that all related party transactions be balanced quarterly with a final clean-up/review in May prior to the close of our fiscal year.
 - While both schools ended up with a positive fund balance, there is some concern that the Elementary School showed a \$200K operating loss for FY2018-19. The school cannot sustain the same kind of losses this fiscal year.

Mr. Miller moved to accept the audited financial statements for Beacon College Prep Elementary School and Beacon College Prep Middle School as presented by Mr. Verdeja. Mr. Range seconded the motion and the board voted unanimously to approve.

2. **BCP, Inc. Corp Single Audit:** Mr. Flickinger reported that a single audit is currently being conducted on the BCP corporate entity as required by federal law due to the fact that the school entities operating under BCP Corp received over \$750K in federal grants and other federal funds this past fiscal year.

3. Merging of Schools: Mr. Miller asked if it would be possible to merge the two schools in the future if there were potential cost savings. The board noted that in addition to cost savings a merger might also lessen the administrative burden of operating two separate entities. Mr. Moreno replied that it is possible once the current Middle School CSP grant is closed out. The board agreed to investigate this further and plan for a merger at the earliest possible opportunity.

4. September Financials & Budget Review: The board reviewed the most recent financial statements and budget/actual comparisons for each school. The following items were noted:
 - Instructional Salaries were over budget by \$48K on the middle school and under budget \$47K at the elementary school. This appears to be a misallocation of salaries between the two schools. The board asked staff to investigate.
 - The Maintenance of Plant expense line was over budget by \$40K between the two schools. The board requested staff to investigate this overage.
 - Total Revenue was under budget projections by \$52K. Mr. Evans said that this was due to the lag time in receiving Title 1 reimbursements. He noted that normally the Title 1 budget is approved by the board in September and submitted to the state at that time. This year the board meeting was re-scheduled several times, so the Title 1 budget has not been approved or submitted yet.
 - In order to avoid delays in the submission of the Title 1 budget each year Mr. Miller recommended that the board schedule a conference call meeting as soon as the Title 1 budget is prepared (In August or September) to assure timely submission of the budget. Mr. Flickinger agreed to set this up.
 - Mr. Evans and Mr. Moreno noted that we should still expect a lag in receipt of Title 1 payments even if the budget is submitted in a timely manner. Typically, payments do not begin until November each year at the earliest. This has more to do with the state administration of Title 1 which the school has little control over.

5. 2019-20 Shared Expense Allocations: Mr. Flickinger reported that according to the official October FTE student count student enrollment for the Elementary School = 421 and for the Middle School = 207. He recommended that the board change the shared expense allocations between the two schools to 67% and 33% respectively.

Mr. Miller made a motion to change the shared expense allocation ratio for BCP Elementary to 67% and for BCP Middle to 33% effective immediately. Ms. Akar seconded the motion. It was approved unanimously.

School Leader Report:

1. Title 1 Budget: Mr. Evans presented the Title 1 Budget to the board and reviewed it in detail.

Mr. Miller moved to accept the 2019-20 Title 1 budget for Beacon College Prep Elementary School in the amount of \$255,276. Mr. Range seconded the motion. The board voted unanimously to approve this budget.

Mr. Miller moved to accept the 2019-20 Title 1 budget for Beacon College Prep Middle School in the amount of \$117,766. Ms. Akar seconded the motion. The board voted unanimously to approve this budget.

2. School Improvement Plans, Performance Goals and UniSIG Grant Budget: Mr. Evans reviewed the School Improvement Plans for both Beacon College Prep Elementary School and Beacon College Prep Middle School. The board discussed the academic plan for each school and the related budgets. Mr. Evans explained how the budget ties to specific performance goals and the overall academic plan.

Mr. Miller moved to accept the School Improvement Plan and the related 2019-20 UniSIG Grant Budget for Beacon College Prep Elementary School as presented. Mr. Verdeja seconded the motion and it was approved unanimously by the board.

Mr. Miller moved to accept the School Improvement Plan and the related 2019-20 UniSIG Grant Budget for Beacon College Prep Middle School as presented. Mr. Verdeja seconded the motion and it was approved unanimously by the board.

Ms. Akar asked Mr. Evans what additional resources he needs to assure that the lowest 25% of underperforming students receive the assistance they need. Mr. Evans said that another full-time staff member to work with students in small group sessions would make a big difference.

Development Director's Report:

1. Lease-Use Agreements: Mr. Flickinger reported that the auditors are requiring that the lease/use agreements between BCP Corp and each school entity be revised to indicate more specifically the amount of lease payments due during any given fiscal year.

Mr. Miller moved to update the lease agreements between BCP Corporate and BCP Elementary and BCP Middle Schools accordingly. Mr. Range seconded the motion and the board approved it unanimously.

2. Campus Construction Update: Mr. Flickinger submitted a written report to the board providing an update on the progress of construction.

3. Debt Service Reserve: The board was informed that funds set aside last fiscal year in our debt service reserve account would be applied toward debt service payments in this fiscal year.

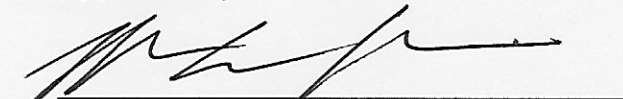
Report from the Chair:

Mr. Miller discussed the process related to the approval and payment of the additional stipend to Mr. Patrick Evans in 2018 in the amount of \$16,992 for work related to the charter application for the middle school. It was noted by the auditors that there was no official approval recorded in the board minutes. The board acknowledged that their approval is required for any additional funds paid to the school leader outside of his regular salary – which is approved in the annual budget. They also confirmed that this payment to Mr. Evans was well deserved and has their approval.

Mr. Miller recommended that the board develop additional checks and balances with respect to payroll if necessary and that in the future any additional payments to the school leader approved by the board be explicitly recorded in the minutes of the board. Mr. Moreno and Mr. Verdeja agreed that any such payments are most properly run through the payroll system since Mr. Evans is an employee of the school.

The meeting was adjourned 11:50am. The next meeting is scheduled for December 3, 2019 at 10:00am at 2750 NW 135th Street Opa-locka, FL.

Approved by:



Melissa Krinzman, Secretary

Date 2/5/20

2/5/20

