

**MINUTES OF THE BOARD OF DIRECTORS
BEACON COLLEGE PREP CHARTER SCHOOL
January 27, 2022**

The Board of Directors for Beacon College Prep Inc. meet on Thursday, January 27, 2022 @ 5:04pm via Zoom Conference Call.

Members Present

Jeffrey Miller, President
Patrick Range, Vice President
Octavio Verdeja, Treasurer
Melissa Krinzman, Secretary
Virginia Akar, Member
Gail Dotson, Member
Wifredo Fernandez

Staff & Others Present

Mr. Patrick Evans, Principal, Beacon College Prep
John Flickinger, Director of Development
Richard Moreno, Building Hope

Call to Order: Mr. Miller called the meeting to order at 5:04pm after confirming the presence of a quorum.

Approval of Minutes: The minutes of the September 28, 2021 board meeting were reviewed. Mr. Verdeja moved to accept the minutes as presented. Ms. Akar seconded the motion, and the minutes were approved unanimously.

A warm welcome was extended to new board member Mr. Wifredo Fernandez.

Treasurer's Report:

1. **Financial Statements:** Mr. Verdeja reviewed the financial statements for each school and noted that as of 12/31/21 there was a combined loss of \$793K. This deficit should be offset in the near future by \$814K in Essar grant receivables.
 - a. Mr. Evans reviewed again the federal grants he has applied for through the Elementary & Secondary School Emergency Relief Funds (ESSAR). Each school is eligible for three Covid relief grants each under the ESSAR program. The school submitted one application in September and another in December. Distribution of the funds by the district has been delayed due to lack of capacity. Rich Moreno said this is a district wide problem and seems to be unique to Miami-Dade.
 - b. Mr. Evans also noted that the district has not distributed any Title 1 funds to date and that the school is owed over \$400K – another reason for the large deficit.
 - c. Both schools have been sustained financially by the PPP grant received last year.
 - d. Mr. Verdeja noted an apparent discrepancy between the two sets of financials. Mr. Moreno explained that one is based on the accrual method of accounting and the other based on the cash method as required by the district.

Beacon College Prep Board Minutes January 27, 2022

Mr. Verdeja moved that the board accept the financials for each school as presented. 6 board members voted to approve the minutes.

Mr. Miller "recused" himself stating he didn't have time to review the statements. He requested that board materials be distributed at least 1 week prior to the meeting.

Governance Committee Report

1. Review of Carlos Vasquez Board Nomination & Next Steps: Ms Akar spoke in favor of her nominee, Mr. Carls Vasquez. He is the founder and CEO of Edtech, an education technology non-profit with a focus on teaching Computer Science & Entrepreneurship. She mentioned his passion for young people and education as well as his skill set as motivated her to nominate him for the board.
 - a. Mr. Fernandez said that he knows Mr. Vasquez from teaching at Miami Dade College together and agrees with Ms. Akar's assessment and would be in favor of his nomination.
 - b. Mr. Evans pointed out that we need to maintain an odd number of board members and suggested that the board consider Mr. Vasquez's nomination once we had a one other nominee.

School Leader Report

1. Mr. Evans gave a brief update on the school focusing on the state of morale and school culture after a very stressful two years of Covid. He noted that the school as a community mirrors the typical phases of first-year teachers attitude toward teaching ranging from Anticipation – Survival – Rejuvenation etc. Overall he feels that the school is gradually recovering a sense of normalcy.
2. Mid-Year Academic Data: Mr. Evans reviewed mid-year academic data and said that both schools are on target to meeting or exceeding our goals with respect to academic achievement and progress. Given the data to date he remains cautiously optimistic that students will perform well on the FSA in the spring. Toward that end he has focused additional resources on FSA tutoring after school and on Saturdays in addition to parent meetings with students of concern.
3. Bezos Academy Lease Proposal: Mr. Evans presented a proposal from the Bezos Academy to lease 2500 sq.ft. of space at the school for a high quality early learning center serving approximately 40-50 children three and four years of age.

Background

Bezos Academy is a private non-profit supported by \$2B fund established by Jeff Bezos. They are building a network of tuition-free, Montessori-inspired preschools in underserved communities across the country. They approached Mr. Verdeja in December for site suggestions and he recommended BCP. Representatives visited the school in December met with Mr. Evans. They expressed strong interest in co-locating at BCP and sent a lease proposal.

MEK

The lease would be for 10 years and the Academy would pay no rent but share expenses such as utilities, maintenance, etc. The Academy would rehab the proposed space at their own expense. They would serve lower and working poor families who earn no more than 4X the poverty rate. They expressed an interest in serving a "mixed-income" or blended population.

Mr. Evans presented his perspective on the costs/benefits of a potential arrangement with Bezos Academy. Benefits include 1) potential pipeline for K; 2) Potential resource for existing families; 3) Long-term investment in early ed. of population; 4) Marketing/publicity. Costs/Risks include 1) loss of physical space and potential loss of enrollment/seats/revenue; 2) Staff Time; 3) Control/Fluid Adjustments; 4) New venture/new population; 5) Staff loyalty – potential of poaching staff.

Board Discussion: The board discussed in detail the costs and benefits of such an arrangement. The following points were made and questions raised:

- What would be the impact on BCP enrollment and revenue? The board agreed that a significant reduction in FTE revenue would preclude the school from moving forward. They asked Mr. Evans to quantify the impact of any lease deal on the enrollment of the school and revenue.
- Will BCP families and/or children from our immediate community have a preference for enrollment in the Academy? The board agreed that unless the Academy could agree to giving BCP families and children from the immediate community then the arrangement would not be beneficial to the school. This was considered a non-negotiable by the board.
- Is the mixed income model aspiration or a mandate? The board noted that the vast majority of our BCP families and local children are at or below the poverty line. If the Academy was committed to a mixed income model then co-locating on the BCP campus would not be beneficial to the school.
- Is the 10-year lease commitment negotiable? Would they do a lesser term of 5-years? How does a 10-year commitment fit into the BCP longer term vision for the school campus?
- How can we make sure that the Academy doesn't "use" BCP?
- What would we be able to say from a marketing perspective? Can we work in affiliation with the Bezos group or is the vision to have the Bezos school separate and distinct from the campus community we have here?
- Is there another non-profit within the immediate community that might be interested in housing the Academy?
- Would the Bezos Foundation be open to supporting BCP through a grant program to make up for the sacrifice of classroom space and lost revenue?

The board generally agreed that the educational benefits for children entering BCP from the Academy would be significant noting the impact on high quality early learning on educational outcomes.

Mr. Evans recommended waiting until the school was in a better position to accommodate a co-location arrangement and suggested that the focus now should be on immediate goals (school grade and rebuilding our enrollment/staffing to pre-pandemic levels.

Once the schools improve their school grades we will be in position to re-finance our debt and reduce our debt service. We would also be eligible to consolidate both charters to one K-8 school which would result in significant savings on operating costs. With increased revenue and reduced expenses BCP would be in a better financial position to approach Bezos Academy in 2023. He also recommended that the board look again at the feasibility of building a gym on campus that might include space for a pre-k.

The board took Mr. Evans recommendations under advisement and asked him to present their concerns and questions as outlined above to representatives of the Bezos Academy and report back to the board.

Development Committee Report

Mr. Evans reported that Terron Ferguson had been let go as Director of Advancement. Give Miami Day raised \$21,840 this fall compared to \$81,840 last year. Funds from GMD will be used to build a new playground as the current playground has been deemed hazardous and no longer safe for children. Estimated costs of new playground installation is \$55,000.

Mr. Evans listed again some of the pressing development needs of the school and encouraged the board to put together a fund raising plan to assist the school with these needs:

Expense	Projected cost
3 Kindergarten Paraprofessionals	\$ 48,600
8 First/Second grade Paraprofessionals	\$ 129,600
New playground for elementary students	\$ 45,000
Year around teacher salaries	\$ 347,000
Promethean Board Replacements	\$ 84,000
PA System	\$ 60,000
Ongoing Repairs (Annual)	\$ 45,000
Total	\$ 759,200

The undersigned hereby certifies that he/she is a Director and/or Officer of Beacon College Prep, Inc, a not-for-profit corporation organized and existing under the laws of the State of Florida, and that the above is a true and correct copy of the meeting minutes of the Board of Directors of said corporation & the individual charter schools sponsored by the said corporation.

The minutes were adopted by the Board of Directors at a meeting held on TBD.

Beacon College Prep, Inc. A Florida not-for-profit corporation

By: 

 Melissa Krinzman, Secretary

Date 6/7/22