

**MINUTES OF MEETING OF BOARD OF DIRECTORS**  
**OF**  
**NORTHSTAR ACADEMIES, INC.**

**June 18, 2019**

A meeting of the Board of Directors of NorthStar Academies, Inc. d/b/a Andrews High School, C.G. Bethel High School, Chambers High School, Palm Beach Preparatory Academy (f.k.a. Mavericks High School of Palm Springs), and Sunrise High School ("NorthStar Academy"), a Florida not for-profit corporation, was held at the offices of NorthStar Academies, One East Broward Blvd., Suite 1111, Ft. Lauderdale, FL 33301 on June 18, 2019.

The following Board members were present: Guillermo Aragon, Board Chairman; Stephanie Sears and Ira Paul. Mr. Paul and Ms. Sears appeared *via* Zoom.

Also present in person were: Thom Jackson, President & CEO, EdisonLearning; Dr. Sherrell Hobbs, SVP Achievement Operations and Results, EdisonLearning; Dr. Jeanette Jimenez, Director of Operations (Florida), EdisonLearning; Ralph Arza, Principal, Arza and Associates; Kadeem Ricketts, Associate, Tripp Scott LLP; Eddie Chan, Principal, R. Sealaus and Co., LLC; Jeff Wood, Director, Tripp Scott LLP (serving as Board Counsel), and Pamela McCoy, President and Director of Compliance, Charter Service Solutions of Florida, Inc. (serving as the Board Liaison).

The meeting was called to order at 4:35pm

The meeting was chaired by Mr. Aragon. Ms. McCoy, Board Liaison, recorded the minutes. Mr. Aragon brought the meeting to order, noting that the meeting had been duly noticed and that a quorum of the Governing Board was present.

The first order of business was approval of the consent agenda. The Out of Field Waivers for C.G. Bethel were removed from the consent agenda, because they were no longer required. Mr. Paul motioned to approve all of the remaining items on the consent agenda. Mrs. Sears seconded the motion. The consent agenda was unanimously approved.

The next order of business was Public Input. Mr. Greg Brannon, a salesman with AFLAC Insurance Company, introduced himself and stated that he was present to gain understanding of the organization with the possibility of helping the school with their benefit plans. Mr. Jackson indicated that the selection of benefit providers occurs during the months of February through April, that the Board already had selected the providers and plans for the 2019 – 2020 school year, and that the schools would start open enrollment on June 24<sup>th</sup>, which would close on or about July 12, 2019. Mr. Jackson invited Mr. Brannon to submit a proposal in February 2020 for the 2020 – 2021 school year.

Mr. Aragon next turned to Governance Matters. Mr. Aragon noted that Mr. Paul had previously served in the role of Secretary and Treasurer with distinction, and Mr. Aragon requested that, if no

other Board member wanted to serve in these positions, the Board should nominate and approve Mr. Paul to continue as Secretary and Treasurer. Mrs. Sears made the motion, and Mr. Aragon seconded. The vote carried unanimously.

Mr. Aragon next presented the proposed 2019-2020 Governing Board meeting calendar. Mr. Paul motioned to approve the calendar, and Mrs. Sears seconded. The vote carried.

Mr. Aragon next turned to School Matters. Dr. Jimenez noted that all of the School Principals were enjoying a well-deserved vacation, and thus, there were no specific principal reports. Dr. Jimenez provided the Operations report, including noting that all of the graduation ceremonies went extremely well. Dr. Jimenez also reported on the School Improvement Ratings, stating that schools had met all of the data and testing requirements for a “Commendable” rating, but that the learning gains could not be calculated. Dr. Jimenez told the Board that she is working with the Principals and the enrollment personnel to develop enrollment and marketing strategies for the summer.

Mr. Jackson gave an update on the New Charter School Applications. The Pinellas application has been accepted for the 2020-2021 school year. Palm Beach County had one more item to be resolved before the application could be recommended for approval. Miami Dade had scheduled a contract review meeting on the new application. Hillsboro approved one application and postponed a vote on the second until August 22<sup>nd</sup>. Mr. Jackson reported that Mr. Arza’s firm and Raquel Espinoza provided invaluable support throughout the application process.

Dr. Hobbs reported on the EdisonLearning Leadership Development Academy (“ELDA”), an intense three day professional development and strategy session for all of the NorthStar Academies’ school leaders. She reported that the ELDA sessions would be held July 16<sup>th</sup> – 18<sup>th</sup>.

Mr. Arza gave a legislative update. He reported that the Governor, Representative, Senator and Commissioner of Education are all in favor of school choice and high performing charter schools. Mr. Arza further briefed the Board on the Marjorie Stoneman Douglas Act and the mandate for all schools to have Security Guards. He also spoke on the Taxation Bill, HB 7070, FTE, Capital Outlay and the Workforce Education Bill.

Mr. Aragon recommended that the Board switch the order of Sections V. and VI. of the agenda, so that Mr. Arza, who had postponed another meeting to be present for this meeting, could advise the Board accordingly during the discussion of property acquisitions, the technology acquisitions, and the financing of same. The Board unanimously agreed to do so by consensus vote.

Mr. Aragon turned to the topic of the proposed property acquisitions by NorthStar Academy with respect to facilities for C.G. Bethel High School, Sunrise School High School, Andrews High School, and Main Street High Schools’ properties. Mr. Jackson introduced Mr. Chan and Mr. Wood, both of whom spoke to a previously distributed PowerPoint presentation, which summarized the terms of the proposed property purchase, the terms of the proposed purchase of EdisonLearning Technology and Achievement Design, and how the purchase would be financed.

Mr. Aragon led the Board in a detailed and extensive discussion regarding the purchase of the license of EdisonLearning Technology Achievement Design. Mr. Jackson noted that as a result of this purchase, NorthStar Academies would become a self-managing not for profit entity, or a

“CMO.” Mr. Arza explained the difference between an education management organization (“EMO”) and a charter management organization (“CMO”), indicating that EMO’s are for profit charter school operators and that CMO’s are not for profit operators. Mr. Arza noted that many states and school districts prefer CMO’s over EMO’s, and that the national political climate also seems to favor CMO’s. Mr. Arza further noted that Florida’s Schools of Hope Program is only open to CMO’s.

Mr. Wood expressed that the transition that EdisonLearning brought to the Mavericks brand has been amazing to watch, and that EdisonLearning’s Florida-based achievement, operations and finance team would become employees of NorthStar Academies, to ensure that NorthStar Academies would be able to continue to implement the EdisonLearning School Design. Mr. Jackson recommended that Dr. Hobbs be appointed CEO of NorthStar Academies, given her experience as an Assistant Superintendent for the Ypsilanti School District. Mr. Wood further explained that there would be a non-compete clause, so that EdisonLearning would not be able to open dropout recovery or credit recovery schools in Florida for a period of time.

Mr. Aragon led the Board in a detailed discussion regarding the fiduciary responsibility of the Board members, self-management and ownership of own properties. Mr. Aragon questioned, among other things, the impact of the purchases. Mr. Wood stated that all Charter Schools aspire to own their school facilities, which often improves relationships with their school district. After further detailed discussions regarding the benefits of owning the school properties, buying the EdisonLearning technology and school design, the financial responsibilities, and EdisonLearning’s role after the transaction, Mr. Paul made the motion to allow Mr. Aragon to negotiate on behalf of the Board and to come back to the Board with a recommendation at the next meeting. Mrs. Sears seconded and the vote carried.

Mr. Aragon recommended to the Board that they reserve the right to determine the CEO, indicating that he wanted the Board to interview Dr. Hobbs and Marshall Emerson, who served in EdisonLearning’s Midwest Region and was the former CEO of the I-CAN Schools, a high performing charter school network in Ohio. Mr. Aragon asked Ms. Sears to serve with him on the interview committee, and Ms. Sears accepted. Mr. Paul made the motion to proceed as recommended by Mr. Aragon. The motion was seconded by Mrs. Sears. The vote carried unanimously.

Mr. Wood recommended that NorthStar Academies consider having an organizational chart in place. Mr. Arza recommended that NorthStar inform the appropriate individuals at the respective school districts at the appropriate time. Mr. Aragon favorably noted the recommendations of Mr. Wood and Mr. Arza, and requested that a copy of his detailed questions and notes be kept by the Board Liaison in her file of the minutes. Ms. McCoy confirmed that she would do so.

Mr. Aragon asked Ms. Schmitt to review the financial report, noting that each Board member had received same in advance with their Board packages. Michelle Schmitt explained the profit and loss statements, the revenue and expenses. She stated that she does not anticipate big changes between now and the end of the fiscal year. Mr. Paul motioned to accept the financials as presented. Mrs. Sears seconded, and the vote carried.

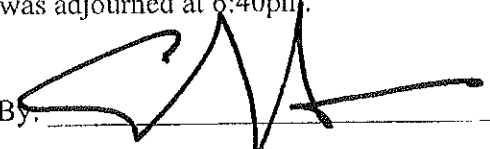
Ms. Schmitt reviewed the 2019-2020 school budgets. Mr. Jackson told the Board that enrollment expectations are higher than the proposed budgets show, and that incentives will be added for

Principals and Enrollment Specialists. Mr. Paul made the motion to approve the 2019-2020 budgets. Mrs. Sears seconded and the vote carried.

There being no further business, the meeting was adjourned at 6:40pm.

By: \_\_\_\_\_

Title: \_\_\_\_\_

  
*C. Paul*  
*Counselor - Public Affairs*