MINUTES OF
COMMUNITY STRATEGIES, INC.
EPIC ONE ON ONE CHARTER SCHOOL – SPECIAL BOARD MEETING

50 PENN PLACE, 1900 NW EXPRESSWAY, SUITE 305
OKLAHOMA CITY, OK 73118
No board members will be present at the physical site.

**Pursuant to SB661, this meeting will be conducted via teleconference**
Audio access: 1-205-825-9189 (no access code needed)
Board Members will be present via teleconference:
Doug Scott        Adam Reynolds
Betsy Brown       Liberty Mitchell
Mike Cantrell

If the audio connection is disrupted the meeting will temporarily pause for 10 minutes. After 10 minutes the meeting will reconvene. If that is not possible, the meeting will end and an announcement about a rescheduled meeting will be posted on the school website.

INSTRUCTIONS TO ACCESS DOCUMENTS for this meeting:
Go to epiccharterschools.org.
Hover mouse over “About”
Hover mouse over “Contact”
Click on “School Board”
Scroll down to find the meeting entitled “September 8, 2020 Special Board Meeting” and click on the link below it.

OR by entering this link in your search bar:
https://www.dropbox.com/sh/xc6cwi006nu/k/AAA8RZ0ieG3mDlUaRRVDa?dl=0
MINUTES – Epic One On One Charter School Special Board Meeting
September 8, 2020

AGENDA

Tuesday, September 8, 2020

1. Call to order and roll call – 6:30 p.m.  
   started at 6:30 p.m.
   
   **Present:**  
   Doug Scott  
   Mike Cantrell  
   Adam Reynolds
   
   **Absent:**  
   Betsy Brown  
   Liberty Mitchell
   
   **Others in Attendance:**  
   Bart Banfield, Supt.  
   Josh Brock, Epic’s CFO  
   Shelly Hickman, Asst. Supt.  
   of Communication  
   Bill Hickman, Board Attorney  
   Ben Harris, Epic Youth Services  
   David Chaney, Co-Founder  
   Tiffany Clark, Board Clerk

2. Pledge of Allegiance and Moment of Silence  
   Led by Supt. Banfield

3. Introductions  
   **“Others in Attendance” were mentioned here**

**Action Items**

The following items will be considered for action by the Board of Education on an individual basis and a roll call vote will be conducted on each item separately.

4. **Information to the Board**
   
   a. Enrollment Update
      
      Banfield - two milestones reached this school year: as of today the school has 60,000 students enrolled at the Epic schools, and Epic now has 2,000 employees making Epic one of the largest employers in the OKC area
   
   b. Financial and Budget Update
      
      Brock - CBEW (the school’s independent financial auditor) was in the office performing the independent audit and will be likely to present a report to the Board at the October meeting.
Purchasing and General Business

5. Discussion and possible action to approve Supplemental Appropriations for FY20.

*Brock - this is filed with the county clerk, had to extend the appropriations to by $16 million to close out the FY20 year in order to reach the current approved appropriations of $146 million. The school spent a little less than that, but it covers the basis for getting this report to the county clerk by the deadline.*

*Board Member Reynolds moved to approve. Board Member Cantrell seconded the motion.*

*Scott - Approved • Cantrell Approved • Reynolds - Approved*

6. Discussion and possible action to approve Estimate of Needs for FY21.

*Brock - standard requirement for all school districts and filed with the county clerk no later than September 30th. Filing it now rather than at the previous board meeting allowed the independent auditors to be on-site to complete this document. The initial preliminary amount was $215 million for One on One.*

*Board Member Reynolds moved to approve. Board Member Cantrell seconded the motion.*

*Scott - Approved • Cantrell Approved • Reynolds - Approved*

7. Discussion and possible action to approve Community Strategies, Inc. d/b/a Epic Charter Schools to enter into a borrowing agreement on behalf of Epic for up to $30 million.

*Brock - we have had lines of credit in the past due to the growth between the end of the school year and the beginning of the new year, and the timing of the school's adjusted funds. This year there has been substantial growth and this line of credit is needed to carry the school until the mid-year adjustment. The current line of credit is a fraction of what the school actually needs, and the increased borrowing will ensure there is no disruption to students getting the services they need.*

*An actual contract is not being presented because they are still in negotiations with various institutions to ensure the school is getting the best deal. It allows Community Strategies to enter into this agreement, regardless of the institution that is chosen.*
Hickman - two questions to be verified for the Board: (1) That the funding for the first semester is based on the end-of-year student count from last school year; and (2) do we have a projection of what the lump sum adjustment will be in mid-January for the 1st semester that will have passed by the time the mid-year adjustment is received.

Brock - (1) For any students above the end-of-year count, the school will not receive funding until the mid-year adjustment. However, there are beginning of the year costs such as curriculum, technology, and other heavily loaded, front-end costs. The school has needed to take out lines of credit before for this reason, but the incredible growth this year is the reason for such a large amount. (2) On a projection basis, Brock anticipates paying off any and all borrowings at the end of January when the mid-year adjustment is received. This amount should exceed $100 million due to the student growth.

Hickman - for the benefit of the Board, this item is structured to authorize the board chair or secretary to sign the contract with the borrower once the terms are negotiated.

Scott - he remembers last year's mid-year adjustment being around $40 million and getting a lot of press for how high that number was. With the skyrocketing enrollment and the projected mid-year adjustment, is there any chance the State can delay payment of the mid-year adjustment or anything else which would keep the school from paying back the line of credit?

Brock - based on historical information, and this school being sponsored by the Statewide Virtual Charter School Board (SVCSB) and funds first going to them, to be distributed to Epic, the school has never experienced a delay that would exceed a seven day timeframe from when the State disburses the funds. So there is no expectation that there would be a delay.

Reynolds - don't we normally see an agreement to approve, but not an authorization of the chairman to later review the agreement and sign? This is not what he's remembering on lines of credit in the past.

Hickman - no, not usually. Though there have been other times that the Board Chair has been authorized to sign a document not yet finalized, such as a settlement agreement. Due to the sensitive nature of the negotiations, the timing of the 1st day of school, and the timing of this meeting, it is necessary to structure this agenda item as it is. But there is transparency in the item
and in the amount, in that there is a ceiling of $30 million that will not be exceeded. This is a unique situation driven by the pandemic and the doubling of student enrollment.

Scott - getting clarification: we need this line of credit due to the extra 30,000 students that have enrolled since last year?

Brock - confirmed this is correct

Hickman - it is very challenging for any organization, such as a public school like Epic, when they double in size from 30,000 students to 60,000 students from the end of last school year to the beginning of this school year, to provide the services necessary to serve the influx of students. This line of credit is imperative to serving these Oklahoman students.

Board Member Cantrell moved to approve. Board Member Reynolds seconded the motion.

Scott - Approved ● Cantrell Approved ● Reynolds - Approved

8. Discussion and possible action to approve a new committee member for the Gifted and Talented Committee: Elora Fite, parent of gifted students in Epic.

Banfield - Epic had 171 students that qualified for the gift and talented committee last school year. Due to this year’s growth, that number has doubled to 348 students. Two extra members are needed to effectively serve these students, and bring the board to eight members.

Board Member Cantrell moved to approve. Board Member Reynolds seconded the motion.

Scott - Approved ● Cantrell Approved ● Reynolds - Approved

9. Discussion and possible action to approve a new committee member for the Gifted and Talented Committee: Laura Gibson, Epic Special Education Teacher.

Banfield - same as the previous item

Board Member Reynolds moved to approve. Board Member Cantrell seconded the motion.

Scott - Approved ● Cantrell Approved ● Reynolds - Approved

10. Board Member Comments

None.
11. Public Comments

All meetings of the Board of Education shall be open to the public, and any regular meeting shall include an opportunity for the public to address the Board. Presentations under “Public Comments” are limited to three (3) minutes. Where several people wish to address the same subject, a spokesperson must be selected. The Board Chairman may interrupt and terminate any presentation that is not in accordance with any of these criteria. Board members may not respond to speakers’ comments. Matters that are subject to any legal action or investigation are not proper topics of public comment and are not authorized.

None.

12. Adjournment

Adjourned at 7:03 p.m. Board Member Cantrell moved to approve to adjourn the meeting. Board Member Reynolds seconded the motion.

Scott - Approved ● Cantrell - Approved ● Reynolds - Approved

Board Chairman Doug Scott

Secretary Betsy Brown