APPROVED

Scholarship Prep

Minutes

Regular Board Meeting

Date and Time
Thursday September 19, 2024 at 2:00 PM

Location
4070 Mission Avenue
Oceanside, CA, 92057

Zoom Meeting Information:
Meeting ID: 847 7579 6164
Passcode: 212359

Scholarship Prep Orange County (17th Street) - 1010 West 17th Street, Santa Ana, CA 92706
Legacy Room

Scholarship Prep Orange County (Grand Ave) - 1821 N Grand Ave, Santa Ana, CA 92705
Admin Office

Scholarship Prep Oceanside - 4070 Mission Avenue, Oceanside, CA 92057
Admin Office

Scholarship Prep South Bay- 24910 S. Avalon Blvd., Wilmington, CA 90744
First-floor Kindergarten Classroom

The meeting will be accessible via teleconference using the information listed above and at the locations above.

PUBLIC COMMENT:

The public is invited to address the Board during the meeting using the Zoom meeting information above, or from any of the teleconference locations. Alternatively, public comments can also be submitted via email to comments@scholarshipschools.org with “Public Comment for Board Meeting (on date of the Board Meeting)” in the subject line. The comment should include the name of the commenter, the Agenda Item number, and the topic that is to be discussed. Comments must be received by 12:30pm of the day before the scheduled Board Meeting and will be read during the meeting based upon time limitations. If the statement is not read online due to time limitations, the comments will be provided to the board members.

Members of the public may address the Board at regular meetings on agenda or non-agenda items that are within the subject matter jurisdiction of the Board, and at special meetings on agenda items only. Speakers may be called in the order that requests are received, with speakers attending the meeting called prior to reading written comments submitted by email, or may be grouped by subject area. Comments are limited to three (3) minutes per speaker with no more than 15 minutes per single topic so that as many people as possible may be heard. . The Board may not take any action on matters discussed during the public testimony period that are not listed on the agenda.

Directors Present
B. George (remote), C. Friedrichs, M. Toan (remote), P. Watson

Directors Absent
J. Ing

I. Opening Items

A. Quorum Check

B. Call the Meeting to Order

C. Friedrichs called a meeting of the board of directors of Scholarship Prep to order on Thursday Sep 19, 2024 at 2:03 PM.

C. Pledge of Allegiance

D. Reading of the Scholarship Prep Mission Statement

E. Approval of the Agenda

C. Friedrichs made a motion to Approve.
B. George seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

J. Ing	Absent
B. George	Aye
C. Friedrichs	Aye
P. Watson	Aye
M. Toan	Aye

F. Invitation to Address the Board on Items on the Agenda

G. Invitation to Address the Board on Items Not on the Agenda

II. Information Section

A. Scholarship Prep - Orange County 17th Campus Update

Two students from ASB provided the campus update covering the following topics: ASB rallies once a month, success ticket winners, back to school night (featuring a mariachi band to kick off Hispanic Heritage Month, and Chromebook sales), sports season starting, Esports, Jazz Empowers, and spirit week at Scholarship Prep - Orange County (Grand Site) next week.

B. Organization Update

Jason Watts provided the organization update, covering the following topics: a Riverside site update, Oceanside site renewal petition submission last week, an enrollment update at next month's meeting, and independent study.

Charles Friedrichs also mentioned that Scholarship Prep had a successful audit from LAUSD.

C. Charter Impact Presentation - 2023-24 UARs, Change of Bank Account, and CalSTRS Employer Paid Member Contributions for Scholarship Prep - Riverside.

Kate Eng provided the Charter Impact presentation covering UARs, Change of Bank Account, and CalSTRS Employer Paid Member Contributions for Scholarship Prep - Riverside.

On July 5, 2024, US Bank let us know about suspected fraud activity. The school implemented several measures to increase the security on the account, including payee positive pay. There was a loss of funds because checks were intercepted, counterfeited, and cashed from the account. The school has filed an affidavit with the bank and intends to recoup the stolen cash. The account is compromised and there is fraud activity daily, so the recommendation is to close the account.

Charles Friedrichs asked about what we can do differently moving forward. Kate explained that the current account did not have payee positive pay or positive pay set up.

This is a security measure that's going to be implemented from day one with the new account. The checks were intercepted, and this is something that's occurring more commonly. The schools will pay the recurring payments that they can through ACH, and that eliminates the opportunity for checks to be intercepted.

Charles Friedrichs also asked if this been turned over to authorities for prosecution or if the bank follow up with authorities? Kate stated that we have reported it to the bank and she can check on if the bank will follow up with authorities.

Pete Watson raised a concern that there may be a possibility of the new account being compromised as well, and Kate responded explaining that the information that has been compromised was the account information, so that the checking account specifically the routing information. The checking account will be new and we hope that this will curb any activity in in the near and medium term.

III. Consent Calendar

A. August 15th Regular Meeting Minutes

C. Friedrichs made a motion to approve the minutes from Regular Board Meeting on 08-15-24.
P. Watson seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call	
P. Watson	Aye
B. George	Aye
M. Toan	Aye
J. Ing	Absent
C. Friedrichs	Aye

B. July Check Register

C. Homeless Youth Policy Update

D. Fiscal Policies and Procedures Manual Revision

E. 2023-2024 Education Protection Account Expenditure Actuals Resolution

F. Scholarship Prep - Orange County 2023-24 Education Protection Account Actuals

G. Scholarship Prep - Oceanside 2023-24 Education Protection Account Actuals

H. Scholarship Prep - South Bay 2023-24 Education Protection Account Actuals

I.

Teacher Local Assignment Options

J. Project Hope Alliance Contract with Scholarship Prep - Orange County in the amount of $90,000

K. Workplace Violence Prevention Plan

L. Contract Amendment to Scholarship Prep - Oceanside's Extended Learning Opportunities Program Contract with YMCA of San Diego County

M. Renewal of Agreement between HopSkipDrive, Inc. and Scholarship Prep

N. Approval of Consent Calendar

C. Friedrichs made a motion to approve.
P. Watson seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

P. Watson	Aye
B. George	Aye
C. Friedrichs	Aye
J. Ing	Absent
M. Toan	Aye

IV. Action Items

A. Scholarship Prep - Orange County 2023-24 Unaudited Actuals Report

P. Watson made a motion to Approve.
B. George seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

B. George	Aye
J. Ing	Absent
C. Friedrichs	Aye
M. Toan	Aye
P. Watson	Aye

B. Scholarship Prep - Oceanside 2023-24 Unaudited Actuals Report

B. George made a motion to Approve.
M. Toan seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

M. Toan	Aye
C. Friedrichs	Aye

Roll Call

J. Ing	Absent
B. George	Aye
P. Watson	Aye

C. Scholarship Prep - South Bay 2023-24 Unaudited Actuals Report

B. George made a motion to Approve.
P. Watson seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

M. Toan	Aye
C. Friedrichs	Aye
P. Watson	Aye
B. George	Aye
J. Ing	Absent

D. Scholarhip Prep - Orange County (Grand Ave) Comprehensive School Safety Plan

P. Watson made a motion to Approve.
B. George seconded the motion.
Charles Friedrichs asked Jason Watts to provide background on what the Comprehensive School Safety Plans are. Jason replied explaining that these are annual updates that have been in place since year one and are common practice of all public schools.
The board **VOTED** unanimously to approve the motion.

Roll Call

J. Ing	Absent
M. Toan	Aye
B. George	Aye
C. Friedrichs	Aye
P. Watson	Aye

E. Scholarship Prep - Orange County (17th St) Comprehensive School Safety Plan

B. George made a motion to Approve.
M. Toan seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

M. Toan	Aye
C. Friedrichs	Aye
J. Ing	Absent
P. Watson	Aye
B. George	Aye

F.

Scholarship Prep - Oceanside Comprehensive School Safety Plan

B. George made a motion to Approve.
P. Watson seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

P. Watson	Aye
C. Friedrichs	Aye
J. Ing	Absent
M. Toan	Aye
B. George	Aye

G. Scholarship Prep - South Bay Comprehensive School Safety Plan

P. Watson made a motion to Approve.
B. George seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

P. Watson	Aye
C. Friedrichs	Aye
B. George	Aye
J. Ing	Absent
M. Toan	Aye

H. Motion to authorize the Executive Director or Chief Operating Officer to close Scholarship Prep's existing checking account and cancel existing credit cards with US Bank, and to open a new checking account and apply for new credit cards with US Bank.

B. George made a motion to approve.
P. Watson seconded the motion.
Barbara George asked if there are going to be any ramifications for the people who stole the funds. Jason Watts answered saying, an investigation is not something that scholarship prep would be engaging in, it would be the bank itself that would determine whether or not right it rose to a particular level of urgency. He also stated that ultimately our job is to notify the bank if we see or learn about any type of fraud.
The board **VOTED** unanimously to approve the motion.

Roll Call

C. Friedrichs	Aye
P. Watson	Aye
J. Ing	Absent
B. George	Aye
M. Toan	Aye

I. Increase Scholarship Prep Credit Card Limit from $50,000 to $100,000.

B. George made a motion to approve.
M. Toan seconded the motion.
Jason Watts explained that due to the size of our growing organization, credit card limit at $50,000 is prohibitive. Sarah Schoenfeld-Nakamoto added that we have two school sites coming on, and there are certain months that are really cumbersome for us. We want to make sure that we don't inhibit school operations by not being able to make the purchases on the credit cards, which we only use when we have to for venders or timeframes that require credit card use.

Pete Watson clarified that the fraud was not on the credit card and was only checks, and Kate Eng confirmed that there was nothing on the credit card accounts.

Charles Friedrichs asked if this credit increase was for the overall limit or individual limits. Sarah confirmed and explained that we updated the fiscal policy to accommodate the increase. This credit increase gives the organization extra capacity, but not necessarily the sites individually.
The board **VOTED** unanimously to approve the motion.

Roll Call

J. Ing	Absent
P. Watson	Aye
B. George	Aye
M. Toan	Aye
C. Friedrichs	Aye

J. CalSTRS Employer Paid Member Contributions Resolution

C. Friedrichs made a motion to Approve.
B. George seconded the motion.
The board **VOTED** unanimously to approve the motion.

Roll Call

M. Toan	Aye
P. Watson	Aye
J. Ing	Absent
C. Friedrichs	Aye
B. George	Aye

V. Closed Session

A. Conference with Real Property Negotiators (§ 54956.8)

The Board entered the closed session at 2:41 pm.

VI. Return to Open Session

A. Report Out of Closed Session, if any

Board Chair, Charles Friedrichs, reported out of close session at 3:01 pm. There was nothing to report out of closed session.

VII. Closing Items

A. Board Comments and Future Agenda Items

Barbara George stated that she is looking forward to an update regarding the status of the bank account next month.

Pete Watson asked Jason Watts to share an update on the participants who attended the last board meeting from Oceanside. Jason shared that he, Principal Nicholas Sessions, and a number of staff members put a plan in place. The parents at the meeting asked great questions about everything around parental volunteerism, electives, etc. Principal Sessions did a great job bringing his personality and sense of humor, but also answering questions very directly about how we're going to move forward positively. We have support in the classrooms and opportunities for families to come in and volunteer in a very structured and organized way that we ensure that the time that's spent is well spent.

B. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 3:05 PM.

Respectfully Submitted,
C. Friedrichs

THE ORDER OF BUSINESS MAY BE CHANGED WITHOUT NOTICE
Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

SPECIAL PRESENTATION MAY BE MADE
Notice is hereby given that, consistent with the requirements of the Brown Act, special presentations not mentioned in the agenda may be made at this meeting.
However, any such presentation will be for information only.

REASONABLE ACCOMMODATION WILL BE PROVIDED FOR ANY INDIVIDUAL WITH DISABILITY
Pursuant to the Rehabilitation Act of 1973 and the Americans with Disabilities Act of any individual with a disability who requires reasonable accommodation to attend or participate in this meeting of the Governing Board may request assistance by contacting Jason Watts.
Email: jwatts@scholarshipschools.org

BOARD DOCUMENTS

Agenda documents that have been distributed to members of the Board are available for inspection online by requesting from Jason Watts at jwatts@scholarshipschools.org "during normal school business hours Mon- Friday" or at any of the Scholarship Prep School Offices during regular business hours.

Scholarship Prep Orange County (17th Street) - 1010 West 17th Street, Santa Ana, CA 92706
7:30 a.m. to 4:00 p.m. Monday through Friday

Scholarship Prep Orange County (Grand Ave) - 1821 N Grand Ave, Santa Ana, CA 92705
7:30 a.m. to 4:00 p.m. Monday through Friday

Scholarship Prep Oceanside - 4070 Mission Avenue, Oceanside, CA 92057
7:30 a.m. to 4:00 p.m. Monday through Friday

Scholarship Prep South Bay- 24910 S. Avalon Blvd., Wilmington, CA 90744
7:30 a.m. to 4:00 p.m. Monday through Friday

FOR MORE INFORMATION

For more information concerning this agenda, please contact Jason Watts at:
jwatts@scholarshipschools.org