



AFRI Special Board Meeting Minutes

Tuesday, March 3, 2026 from 5:30 PM to 6:00 PM

Location: Achievement First Providence High School (206 Elmwood Ave, Providence, RI 02907, United States)

Attendees:

Board Members: Mayor Brett Smiley (Chair), Victor Capellan, Nicole Pollock, Maryellen Butke, Janelle Clarke-Holley, and James Wiley

AF Staff: Tom McDermott, Katie Ballah, Ben Schanback, Cassidy Mckee

I. Call to Order

Mayor Smiley welcomed the group and called the special board meeting to order at 5:30 pm.

II. Public Comment

No members of the public were present.

III. Board Resolutions and Approvals

All board members were provided with prep materials to review the proposed resolutions both prior to the postponed February meeting and again before this special meeting.

Ben Schanback and Cassidy McKee provided brief framing and answered clarifying questions related to the proposed bond amendment.

There being no other questions, Mayor Smiley asked for a motion to approve the consent agenda which included:

- approving the previous meeting's minutes,
- the Return to AF policy,
- two Finance resolutions for ERC Reserve Fund and Loan amendments, and
- the Remote Participation in board meetings policy.

Nicole Pollock motioned to approve the consent agenda, Victor Capellan seconded and the board unanimously voted in favor. The consent agenda passed.

Consent Agenda

1. BE IT RESOLVED, the Achievement First Rhode Island Board of Directors hereby approves the meeting minutes from December 3, 2025.
2. Resolution on Charter Amendment for Return to AF Priority

WHEREAS, the Achievement First Rhode Island Board of Directors (the "AFRI Board"), a 501(c)(3) nonprofit corporation, has reviewed the proposed amendment to be submitted to the Rhode Island Department of Education ("RIDE") entitled "[Achievement First Charter School Minor Charter Amendment Request]" (the "Amendment"), as presented to the Board and recommended by staff on March 3, 2026;

WHEREAS, the Board finds that adoption of the Amendment is in the best interests of the Organization, aligns with its mission, governance practices, and legal and regulatory obligations, and will assist in ensuring consistent and effective implementation of the proposed policy and growth plan update as listed in the Amendment;

NOW, THEREFORE, BE IT RESOLVED THAT:

Adoption. The Board hereby approves and adopts the Amendment in substantially the form presented to the Board.

Implementation. The Board authorizes and directs the appropriate Authorized Officer to implement the Amendment, to refer the Amendment to applicable staff, contractors, vendors, or stakeholders, and to take any and all actions necessary or appropriate for the implementation and ongoing oversight of the Amendment.

Effective Date. The Amendment shall become effective upon receipt of approval from the Rhode Island Department of Education, and apply to all relevant operations, staff, and/or other parties as specified in the Policy.

Monitoring & Reporting. The Authorized Officer shall monitor compliance with the Amendment, recommend updates as appropriate, and report to the Board at least annually on the status of the Policy.

Revisions. The Authorized Officer is authorized to make immaterial, non-substantive amendments to the Amendment (e.g., formatting, renumbering, typographical corrections) as needed, provided that any material changes must be submitted to the Board for review and approval.

Retention. A copy of this Resolution and the Amendment shall be maintained in the minute book of the Organization and in its records as part of the governing documents of the Organization.

3. Policy on Remote Participation in Board Meetings

BE IT RESOLVED, that the AFRI Board of Directors hereby adopts the AFRI Board Policy on Remote Participation in Board Meetings as set forth above, pursuant to Rhode Island General Laws § 23-99-4, and authorizes its immediate implementation.

BE IT FURTHER RESOLVED, that the Executive Director, Board Secretary, and Chair are authorized and directed to take all actions reasonably necessary to carry out this Policy, including providing public notice with videoconference access instructions, selecting and maintaining an appropriate videoconferencing platform, and establishing procedures for affidavits in the event of interrupted connections, all consistent with this Policy and applicable law.

Adopted by the AFRI Board of Directors on March 3, 2026.

Finance Resolutions

Finance Resolution I: Establishment and designation of an employee retention credit (“ERC”) reserve fund

WHEREAS, the Board of Directors (“Board”) of Achievement First Rhode Island Charter School (“School”) recognizes its fiduciary responsibility to ensure the long-term financial stability and sustainability of the School; and

WHEREAS, the School has received one-time Employee Retention Credit (“ERC”) funds, which are non-recurring in nature and separate from the School’s annual operating revenues; and

WHEREAS, the Board recognizes that prudent management of non-recurring revenue requires the intentional designation of such funds for strategic initiatives rather than ongoing operational expenses; and

WHEREAS, the School seeks to ensure that ERC funds are used to advance high-quality educational programming, support school stability and growth, meet operational obligations, and protect the interests of students, families, staff, and the broader school community; and

WHEREAS, the Board desires to authorize the establishment, funding, management, and use of such a reserve fund consistent with applicable laws, regulations, charter requirements, and best practices.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Establishment of the ERC Reserve Fund

The Board hereby authorizes the creation of an ERC Reserve Fund (“Reserve Fund”) in the amount of \$6,617,261, to be recorded as a Board-designated reserve, for the purpose of making strategic investments in the School.

2. Purpose of the Reserve Fund

The Reserve Fund shall be used exclusively for strategic investments that advance the School’s recovery, improvement, and long-term strength, including but not limited to:

1. Stabilization, recovery, or growth efforts;
2. Academic intervention and student outcomes;
3. Culture and climate initiatives;
4. Workforce retention and pipeline investments;
5. High-need facilities work.

3. Management and Governance of the Reserve Fund

The Executive Director (ED) shall oversee planning for the use of Reserve Fund dollars, in consultation with school principals. Uses of the Reserve Fund must not create unfunded long-term obligations for the School in the estimation of the Board.

The board hereby delegates to the ED the authority to approve expenditures in pursuit of initiatives outlined under Section 2 (Purpose of the Reserve Fund). Any expenditures outside of these approved initiatives will require approval by the Board, unless otherwise delegated by formal Board action.

4. Reporting

The ED and Chief Financial Officer shall provide the Board with quarterly reports on the Reserve Fund's balance, activity, and progress or outcomes associated with funded initiatives.

5. Compliance

The Reserve Fund shall comply with all applicable federal, state, and local laws, regulations, and charter requirements, including nonprofit accounting standards.

RESOLVED FURTHER, that this resolution shall take effect immediately upon its adoption.

Finance Resolution II: Amendments to Series 2022 B/C Loan Documents

WHEREAS, pursuant to a Loan Agreement dated as of April 1, 2022 (the "Series 2022B/C Loan Agreement") by and among the Rhode Island Health and Educational Building Corporation (the "Corporation"), The Washington Trust Company of Westerly (the "Series 2022B/C Lender") and Achievement First Rhode Island, Inc. (the "Institution"), (i) the Series 2022B/C Lender, at the request of the Institution, made (a) an up to \$25,000,000 loan to the Corporation (the "Series 2022B Lender Loan") evidenced by a promissory note delivered by the Corporation to the Series 2022B/C Lender in the principal amount of \$25,000,000.00 (the "Series 2022B Corporation Note"), the proceeds of which were, in turn, loaned by the Corporation to the Institution (the "Series 2022B Corporation Loan" and together with the Series 2022B Lender Loan, the "Series 2022B Loan") evidenced by a promissory note delivered by the Institution to the Corporation in the principal amount of \$25,000,000.00 (the "Series 2022B Institution Note" and together with the Series 2022B Corporation Note, collectively, the "Series 2022B Notes"); and (b) an \$8,997,702.17 loan to the Corporation (the "Series 2022C Lender Loan") evidenced by a promissory note delivered by the Corporation to the Series 2022B/C Lender in the principal amount of \$8,997,702.17 (the "Series 2022C Corporation Note"), the proceeds of which were, in turn, loaned by the Corporation to the Institution (the "Series 2022C Corporation Loan" and together with the Series 2022C Lender Loan, the "Series 2022C Loan") evidenced by a promissory note delivered by the Institution to the Corporation in the principal amount of \$8,997,702.17 (the "Series 2022C Institution Note" and together with the Series 2022C Corporation Note, collectively, the "Series 2022C Notes"); and

WHEREAS, pursuant to the terms of the Series 2022B/C Loan Agreement and the Series 2022C Notes, the Series 2022C Notes are subject to mandatory purchase on April 7, 2026 (the "Series 2022C Mandatory Purchase Date"); and

WHEREAS, the Institution has requested that the Series 2022B/C Lender waive the mandatory purchase of the Series 2022C Notes on the Series 2022C Mandatory

Purchase Date and continue to the Series 2022C Notes until the Series 2022B Notes are subject to mandatory purchase on April 7, 2027 (the "Series 2022B Mandatory Purchase Date"); and

WHEREAS, the Series 2022B/C Lender has agreed to amend the Series 2022B/C Loan Agreement, the Series 2022C Notes and any other related documents to reflect the extension of the Series 2022C Mandatory Purchase Date to April 7, 2027 to align with the Series 2022B Mandatory Purchase Date (the "Extension Amendments") on terms and conditions to be mutually agreed upon by the Series 2022B/C Lender and the Institution and outlined in a term sheet from the Series 2022B/C Lender in form and substance satisfactory to both parties (as may be amended, the "Term Sheet"); and

WHEREAS, the Institution wishes to authorize the extension of the Series 2022C Mandatory Purchase Date to April 7, 2027 to align with the Series 2022B Mandatory Purchase Date (the "Extension") and the execution and delivery of the Extension Amendments.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. Approval of Extension. That the Board hereby authorizes the Extension on terms and conditions to be mutually agreed upon by the Series 2022B/C Lender and the Institution and outlined in the Term Sheet and the Chair and/or the Treasurer of the Institution (each, an "Authorized Officer" and together the "Authorized Officers"), be, and each of them singly is, hereby authorized to approve any additional terms of the Extension that may not be contained in the Term Sheet.

Section 2. Approval of Extension Amendments. That any one or more of the Authorized Officers, be, and each of them singly is, hereby authorized, in the name and on behalf of the Institution, to execute, acknowledge and deliver in the name and on behalf of the Institution, the Term Sheet, the Extension Amendments and/or any other agreements, certificates, instruments and documents that may be advisable, convenient or necessary to carry out the intent of these resolutions, the execution thereof by such Authorized Officer or Officers shall be conclusive as to such determination, the approval of the terms thereof, and that the same was authorized by these resolutions.

Section 3. Additional Actions. That any one or more of the Authorized Officers be, and each of them singly is, hereby authorized, in the name and on behalf of the Institution, to execute, acknowledge and deliver in the name and on behalf of the Institution, any and all such additional agreements, instruments and documents and to take all actions, including amendments to existing agreements, instruments and documents related to the Indebtedness, from time to time as may be necessary or appropriate, in their discretion to consummate the transactions contemplated by the foregoing resolutions, the execution thereof by such Authorized Officer or Officers shall be conclusive as to such determination, the approval of the terms thereof, and that the same was authorized by these resolutions.

Section 4. Approval of Prior Actions. That all actions previously taken by any officer or employee of the Institution on behalf of the Institution with respect to the Extension are hereby approved, ratified and confirmed in all respects.

Section 5. Effective Date. That this resolution shall take effect immediately.

Immediately after the vote, Mayor Smiley and the board members discussed the parameters for virtual meetings in alignment with RI Open Meeting Law that permits virtual attendance for known “extenuating circumstances (related to personal emergency or military service).” All board members confirmed understanding that AF Rhode Island regular and on-going board meetings will be held in person, with a continuing expectation of in-person attendance by all board members.

IV. Adjourn

There being no other business, Mayor Smiley asked for a motion to adjourn. Maryellen Butke motioned to close the meeting, and Janelle Clarke-Holley seconded. All were in favor and the meeting was adjourned at 6:00 pm.