



AISU Board Meeting Agenda
AISU Board Room (2nd Floor Conference room)
June 23, 2017, 2:00 p.m.

- I. Welcome (1 minute)
- II. Approval of Minutes (2 minutes)
- III. Public Comment
- IV. Finance Review — Mark Smith (20 minutes)
 - a. 2017/2018 Budget VOTE
 - b. 401k Payment Proposal VOTE
 - c. Fees for Legal Assistance VOTE
- V. Classroom Plans — Mark Smith & Nate Justis (20 minutes)
 - a. GCE in HS Co-Teaching Model Cost VOTE
 - b. Elementary & Middle School Cost to Switch Spaces VOTE
 - c. Build Out & 5th Portable Cost VOTE
- VI. Student Data Security Policy — Nate Justis (5 minutes) VOTE
- VII. Draft Org Chart for 2017/2018 School Year — Nate Justis (5 minutes)
- VIII. Performance on SAGE Tests — Nate Justis (5 minutes)
- IX. Chairman's Report — Richard Maxfield (5 minutes)
 - a. Update Community Relations (PTO, staff, neighborhood, families, students)
 - i. Staff Survey Feedback
 - ii. Parent questions and comments from May
- X. Executive Session
- XI. Other business (2 minutes)
- XII. Adjourn

Executive Session

Executive Session for reasons permitted under Utah Code 52-4-205, including the character, professional competence, or physical or mental health of an individual; strategy sessions to discuss pending or reasonably imminent litigation; and investigative proceedings regarding allegations of criminal misconduct.



AISU Board of Directors Meeting Minutes
Friday, June 23, 2017, 2 p.m.
AISU Board Room (2nd Floor Conference Room)

Board Members Present: Richard Maxfield, Mike Edmonds, Diane Johnson, attending via phone David Chan, Geoff Davis

Attendees Present: Mark Smith, attending via phone Nate Justis, Steve Finley, Joel Wright checked-in

Secretary Present: Tracy Field

AGENDA & MEETING MINUTES

I. **Welcome & Call to Order:** Richard Maxfield called the meeting to order, we have a quorum

II. **Review of minutes:** We are auditing minutes, providing more detail in minutes, working on May and June minutes

III. **Public Comment**

Nicole Rich, Parent – I was interested in being on the board. Richard responded, send a letter of interest to the board; I will invite board members today to nominate at least one board member. Generally find people with some expertise that the school needs but it is not a requirement. Geoff thanked Nicole for her interest.

Natalee Lance, Parent – Question about board elections. Last board meeting you re-appointed yourselves. Richard Maxfield replied yes for those that needed to be renewed. Can it be posted to the public, something other than Facebook?

Mike Edmonds – How many board members allowed? No limit on the number of board members

Could the AISU website page include things like this? Mark yes we are redoing the website.

Announcing board meetings in advance would be helpful. Anyone can sign-up for Utah Public Notice to receive announcements of meetings.

Natalee Lance – I keep hearing about teachers who are being let go or choosing to leave. These are the teachers that connect with our kids. Upsetting, I don't have answers; we are still waiting for that. Diane Johnson asked about getting actual turnover numbers. Mark Smith confirmed 20 is close. Some reasons why they left...moved/relocated to India, Park City, Montana, Oregon, Nebraska, Costa Rica, illness, finished masters has to work at school authorized to do practicum, wife left so



he left, retired, two are pursuing their PhD, left education, 4 who didn't want to work here.

Natalee Lance – Some didn't want to leave, those are the ones that I'm concerned about. Transparency is important.

Sarah Barker – Suggested updating faculty list online. Mark said we could do something like that.

Geoff Davis – We'll be sending a communication to the community from the board, can we include a report/update the # of teachers, variety of legal reasons we can't be specific.

Nate Justis – I want to get a newsletter out on a monthly basis next few weeks, include a summary of an aggregate format of teachers, introduce the amazing staff members, and have an updated website. Put newsletter on website.

Mark Smith – We have 81 teachers, 123 who support students, no more turnover this year than any other year.

Natalee Lance – Why are some who are committed to our kids, the ones who have been terminated? Diane Johnson asked was the role cut or the person? Answer, both.

Jamie Adamson – Teachers and directors, several lower directors were offered lower paying positions. Mark Smith, there are not several, there were a few.

Natalee Lance – It looks like everyone who was supportive of Mike is being cut. What is your plan on the lunch program? We were getting better but now Greg is gone.

Natalee Lance – Question about field trips, loved how our kids can go on so many field trips. Will that change? Goal last year was once per month. Mark Smith responded, no change.

Geoff Davis thank you to those who take the time to come to the meetings, provide comments, ask questions, involved and engaged, we need it. We apologize that we can't answer every question.

V. Finance Review

a. 2017/2018 Budget VOTE

Mark Smith reviewed student **enrollment expected 1,442**, that is an increase of 120 students; we are forecasting 55 international students, maybe 65. Our online students from other schools can take classes from our school (we work with Harmony) this will net us about \$80,000 this year. Board directive is to have a budget that at least met 4.5% of state revenue in terms of net income with no outside investment. We are not relying on any outside investment.



Richard Maxfield asked do we have state approval for SOEP? Mark answered yes.

If all international revenue went away, the State looks to us to operate with only our existing revenue. We still meet these criteria also. We are positive by \$28,000.

Mike Edmonds, parents raised good concerns, I am chair of finance committee, **how do we make this school financially viable?** Adopt principles to live within our means. For the first three years we tapped into investors but we went more into debt. Now we have deadlines for bonding obligations. We decided that the 2017/2018 school year will be the year we make the tough choices. If we can attract 65 international students, we can add positions. We cannot spend more than we bring in, cannot go into debt, right size in relations to staff. All decisions are around what can we afford, we have to make tough decisions. Get as much money as possible to the student.

Mark Smith added, **we didn't cut any services to the students**, like elementary music. Mike Edmonds added if possible expand them.

Mark Smith, from July to January our expenses are higher, then after January the expenses are lower. On a cash basis, we will need extra cash early in the school year but by the end of the school year we will not need extra cash. So no outside investment will be needed. Geoff asked, do we have the lines of credit in place? Mark said no.

Steve Finley added that Mark did amazing job on all of this but we are not out of hot water, we still have cash flow issues until next year.

Geoff Davis asked about the **hiring/staffing decisions**. Section V. a. GCE in HS Co-Teaching Model Cost VOTE. Mark responded, in **high school** we increased the number of teachers, added prep time for teachers, increased collaborations on GCE, reduced class size, and increased support to students needing remediation. From a financial standpoint, we broke even with these changes. Mark explained that charter schools can over enroll by 3% which equals 42 additional students, the State of Utah now allows for the over enrollment because charter schools would lose out. Geoff Davis asked about success coaches and teachers. Mark Smith explained that in high school, we reorganized the student support services, we created a dean of students, a student support department, and we reduced the number of success coaches by three but increased the number of people to service the kids.

Mark Smith explained in **elementary** we had different objectives; the #1 driving factor was bathroom access. #2 two years ago we thought we would build a new elementary school by this year, this will not happen in the next two years, so we consolidated all of elementary in the same place for at least a couple of years. #3 our teachers were not as successful with the learning model we had, which was



more students with more adults, so we reduced class size to 24-25 students per class.

Steve Finley added that the original budget outlined in March/April included increases to salaries at 11%, it is now 1.5%, we made dramatic cuts, which allows us to operate within the money we receive from the state.

Voted during section V. budget and classroom plans tied together.

b. 401k Payment Proposal VOTE

Mark Smith. No change to our 401k plan, contribution, or participation, this is only a change to when we make the matching deposit. We would only need this for this year. We will still make the withdrawal from each employee every pay period; the match the employee receives will be once per year. A fiduciary reviewed this and the ERISA review is done. Steve Finley, we will explain more in mid August during benefits enrollment. We are doing this for cash flow reasons.

Nate Justis, we are doing this so we don't have to ask for as much with a line of credit. Could we make this contingent on what we get for line of credit? Could we ask for larger line of credit first? Steve Finley said it's a long shot to get a larger line of credit. Mark Smith, we can always change it back. A larger line of credit has a cost associated with it. We can do a better job of communicating this, employees get a 100% return, a dollar for a dollar, vested immediately. Mike Edmonds added this is what we have to do to be a sustainable school, have to do this to meet our cash flow...everyone has to pitch in and help.

- Richard Maxfield, we will accept a motion to approve the change to the 401k payment proposal
- Geoff Davis makes the motion to approve
- Diane Johnson seconds the motion
- Votes in favor: Edmonds, Johnson, Davis, Chan, Maxfield (unanimous)

c. Fees for Legal Assistance VOTE

Richard Maxfield summarized, Mike Farley was terminated by the board, there was a temporary restraining order to hold that decision, we needed attorneys to represent AIS because another attorney claimed to represent AIS, the judge rejected the restraining order. A \$10,000 retainer for Ray Quinney & Nebeker. Not all of the retainer has been spent. If action is filed against us, we will still need the attorney. Asking for approval for a retainer for up to \$10,000 in fees for legal assistance. Mike Edmonds asked what if we need more than \$10,000, how much is covered under our insurance, have opened a case (D&O insurance)? It is important to understand that we are covered by insurance to protect the school and the board.

- Richard Maxfield, we will accept a motion to approve the retainer up to the \$10,000
- Mike Edmonds motion to approve up to \$10,000 (we have spent \$7500 to represent AIS)
- Diane Johnson seconds the motion
- Votes in favor: Edmonds, Johnson, Davis, Chan, Maxfield (unanimous)



V. Classroom Plans and Elementary School Layout

b. Elementary & Middle School Cost to Switch Spaces VOTE

Mark Smith said some construction is needed. The open space where the middle school commons was will be four large classrooms. We will be in compliance with fire codes. We received a bid for \$54,000, we have another bid that is lower. We are in compliance with request for proposal process.

c. Build Out & 5th Portable Cost VOTE

Fifth portable will be added because we are moving the middle school out there. This will make a U shape and close off the end where the elementary school is now. The fifth portable will be for advisory and study hall with the success coaches. The cost is \$24,000 upfront and \$18,000 per year for rent. All fire codes and RFP requirements are good.

The transportation portable will be removed. Mike Edmonds asked do we have money in the budget to restore the transportation portable in order to return it. Yes, we'll need several thousand dollars to restore it and make it whole. We have a construction budget that we can put that in.

We will clear out the area with the transportation portable and busses. It's been a problem area.

Where is the bus that was purchased for the Western Wonders Program? The program was cancelled, not enough interest. We still have that bus. We have six busses in total we only need 4-5; we are selling one bus this week.

- Richard Maxfield, we will accept a motion to approve the budget for next year and the classroom plans
- Mike Edmonds makes the motion
- Diane Johnson seconds the motion
- Votes in favor: Edmonds, Johnson, Davis, Chan, Maxfield, (unanimous)

VI. Student Data Security Policy — Nate Justis (5 minutes) VOTE

In March, the governor signed a bill, student data protection act, the newly appointed director has provided the template. Key items – personally identifiable information will require training to staff and the board, and we'll need an IT security policy to be developed before October 2017. Diane Johnson asked do our IT providers have proper redundancies and are we following proper protocols? Nate responded, our registrar handles most of that. We have followed best practices but a few things may come out of this plan but it won't be demanding. We will look at the agreements with our third parties/review their contracts.

- Richard Maxfield, we need a motion
- Diane Johnson moves to approve the data security policy as described by Nate and in compliance with the State
- Geoff Davis seconds the motion
- Votes in favor: Edmonds, Johnson, Davis, Chan, Maxfield (unanimous)



Richard Maxfield post pone item VII org chart after exec session

VII. Draft Org Chart for 2017/2018 School Year — Nate Justis (5 minutes)

VIII. Performance on SAGE Tests — Nate Justis (5 minutes)

Richard Maxfield wants a plan to address improving test scores, the MAP scores are better than the SAGE scores but neither is acceptable. Diane Johnson it is a combination of teach them how to take test, teach them about the test and how much is a skill deficiency. Nate Justis referred to his outline to address the low test scores as well as four correlated w/ concerns. Needs to be a priority. Don't want to see State test scores to be a #1 priority but our scores need to improve significantly. We need to share the test scores with our staff and align our curriculum more tightly with state standards. Expect our core teachers to review concepts with our students. Get students involved with practice assessments before the end of the year. Finally, half of the students opt out, and a number of students many click through without attempting the questions. We have not clarified the importance of this data. Discuss in crew and core classes to help students understand these scores are an indicator of academic performance. Richard Maxfield, we addressed this issue one year ago. Diane Johnson, I like Nate's plan, on the right track. Maybe academic committee can go through it.

The state is changing how they will grade schools, no more grades next year, only put schools in turn around status if in bottom percentile two years in a row. We won't be in a turn around status this year.

IX. Chairman's Report — Richard Maxfield (5 minutes)

- a. Update Community Relations (PTO, staff, neighborhood, families, students)
 - i. Staff Survey Feedback, Richard said report on two big things communication in both directions and I wanted to see what was on their mind.
 - ii. Parent questions and comments from May

X. Executive Session VOTE

- Diane Johnson moves to go into executive session
- Mike Edmonds seconds the motion
- Votes in favor: Maxfield, Davis, Johnson, Edmonds (unanimous)

There will not be another public session today; any actions/motions will be made during public session.

(recorded session 170623_0041)

Out of Executive Session VOTE

- Richard accepts a motion to go back into open session
- Diane Johnson moves to go back into open session
- Mike Edmonds seconds the motion
- Votes in favor: Maxfield, Davis, Johnson, Edmonds (unanimous)



(recorded session 170623_0042)

XI. Other Business

XII. Adjourn VOTE

- Diane Johnson motion to adjourn
- Mike Edmonds seconds the motion
- Votes in favor: Maxfield, Davis, Edmonds, Johnson

(recorded session 170623_0043)