

AISU Board Meeting Minutes

AISU Board Room (2nd Floor Conference Room)
4998 South 360 West, Murray, Utah 84123

April 24, 2015, 11:00 a.m.

In attendance: Richard Maxfield, B.J. Millar, Diane Johnson, Kent Mohlman, Michael Farley, and Scott Brand.

- I. Richard Maxfield called the meeting to order at 11:10 a.m.
- II. Approval of Minutes from March 20, 2015 and April 20, 2015.
 - a. B.J. Millar motioned to approve the minutes from March 20, 2015 and April 20, 2015.
 - b. Kent Mohlman seconded the motion.
 - c. Votes in favor: Maxfield, Millar, Johnson, and Mohlman.
 - d. Minutes are approved.
- III. Schoolhouse Development, LLC bridge loan and Kimball liability
 - a. Item 4 added to promissory note during emergency session on April 20, 2015 including: "Any commission or legal liabilities related to Kimball Investment Company will be capped under this agreement at \$195,000."
 - b. Add an additional subsection to the bridge loan document "Additional Considerations Kimball Commissions/ Legal Liability" "Any K2 commission or legal liabilities related to Kimball Investment Company will be capped under this agreement by lender at \$195,000. This will create a separation between the promissory note and legal liability."
 - c. B.J. Millar motions to modify the promissory note based upon the above outline by breaking section 4 into two sections. The first section to be the origination fee with the first complete sentence in section 4 as it stands and a new section to be numbered appropriately within the document with the heading "Additional considerations for Kimball Commissions and legal liability" and that subsection will contain the entire second sentence beginning with "Any K2 commission" to act as an explanation for the note.
 - d. Kent Mohlman seconded B.J. Millar's motion to modify the promissory note.
 - e. Richard Maxfield calls for additional comments before the vote. Diane Johnson asks for board minutes to capture more detail of conversations and comments made by board members.
 - f. Votes in favor: Maxfield, Millar, Johnson, Mohlman (unanimous.)
 - g. Motion to modify the promissory note passes.
- IV. On-site billboard issue – Indemnification Agreement for REIT

- a. B.J. Millar motioned to allow the finance committee to review the lease agreements for both the YESCO and Utah sign before submitting a recommendation on May 8th then for that recommendation to come before the full board on May 15th for ratification of this indemnification agreement.
 - b. Kent Mohlman seconded the motion.
 - c. Votes in favor: Maxfield, Millar, Johnson, Mohlman (unanimous.)
 - d. Motion to assign the indemnification agreement for review by finance committee passes.
- V. Superintendent's Report
- a. Accreditation Report
 - 1. The accreditation team was made up of five members and they interviewed over 120 teachers, students, and parents.
 - 2. AISU was above network averages in all but one category, which is highly unusual for new schools. We scored very well.
 - b. Facility Improvement Update
 - 1. The undeveloped area on campus formerly know as the "Kennel Area" is planned to be developed into space for both STEM and Performing Arts programs including: a tech lab, dance studio, black-box theater, and orchestra room.
 - c. International Student retention and recruitment appears to be on target.
 - d. Fundraising efforts: Grant application for \$500,000 has been submitted to the Sorenson Foundation for and we are working to develop a variety of partnership opportunities for the STEM program with various Utah businesses.
 - e. We are exploring the possibility and potential benefits of developing a partnership with the University of Utah. This could include having the U serve as the authorizer for AISU as an alternative to the USCSB. A meeting to discuss this potential partnership will be on May 18th. This could be a beneficial partnership for both parties.
- VI. EB5 investment of \$500,000
- a. Kent Mohlman motioned to approve a 3rd \$500,000 EB5 investor.
 - b. B.J. Millar seconded the motion.
 - c. Votes in favor: Maxfield, Millar, Johnson, Mohlman (unanimous.)
 - d. The board approves a 3rd \$500,000 EB5 investor.
- VII. Executive Session
- a. Kent Mohlman motioned to move to executive session.
 - b. B.J. Millar seconded the motion.
 - c. Votes in favor: Maxfield, Millar, Johnson, Mohlman (unanimous.)
 - d. Meeting moves to executive session.

Members in attendance: Richard Maxfield, B.J. Millar, Diane Johnson, and Kent Mohlman

Regular Session Continued

VIII. Action from Executive Session

- a. B.J. Millar motions for Board Chairman Richard Maxfield to meet with Superintendent Mike Farley to discuss board concerns.
- b. Kent Mohlman seconded the motion.
- c. Votes in favor: Maxfield, Millar, Johnson, Mohlman
- d. Richard Maxfield and Michael Farley to meet to discuss the AISU board concerns.

IX. Adjourn

- a. Kent Mohlman motioned to adjourn the meeting
- b. Diane Johnson seconded the motion.
- c. Votes in favor: Maxfield, Millar, Johnson, Mohlman (unanimous.)
- d. Richard Maxfield adjourned the meeting at 2:30 p.m.