



AISU Board Meeting Agenda
AISU Board Room (2nd Floor Conference room)
Friday, August 18, 2017, 10:30 a.m.

- I. Welcome (1 minute)
- II. Approval of Minutes (2 minutes) **VOTE**
- III. Public Comment (10 minutes)
- IV. Finance Review
 - a. Financial Update & Forecast – Steve Finley (10 minutes)
 - b. 2017-2018 Budget & Facilities Review – Mark Smith (10 minutes)
 - c. EB5 & Minority Investors Update – Mark Smith (10 minutes)
 - d. Renting Space AISU Parking Lot – Mark Smith (2 minutes) **VOTE**
 - e. Indoor Soccer Practice Facility – Mark Smith (5 minutes) **VOTE**
- V. Legal Update – Mark Smith (2 minutes)
- VI. Introduce Board Committees and Committee Chairs – Richard Maxfield
 - a. Communications Committee – Matt Bowman (2 minutes)
 - i. Parent Communication Plan – Nate Justis (2 minutes)
 - ii. Staff Communication Plan – Nate Justis (2 minutes)
 - b. Finance & Accounting Committee – Mike Edmonds (2 minutes)
 - c. Audit Committee – Dan Griffiths (2 minutes)
 - d. Fundraising Committee – Diane Johnson (2 minutes)
 - e. Nomination Committee – Diane Johnson (2 minutes)
 - f. Advisory Council – Diane Johnson (2 minutes)
- VII. Board Member Nominations Update – Diane Johnson
 - a. Nominee Interview Updates – Nate Justis (5 minutes)
 - b. Nominee Introductions – Nominees 2 minutes each (15 minutes)
 - c. Laura Hamilton, nominated for Board Secretary – Nate Justis (2 minutes) **VOTE**
- VIII. Charter Implementation Plan Progress Report – Nate Justis (5 minutes)
- IX. Student Test Results Plan – Nate Justis (10 minutes)
- X. Board Training and/or Compliance Updates – Richard Maxfield
 - a. Utah Association of Public Charter School
- XI. Partnership Opportunities – Nate Justis (10 minutes)
- XII. Chairman's Report – Richard Maxfield (5 minutes)
- XIII. Executive Session **VOTE**



XIV. Other business (2 minutes)

XV. Adjourn **VOTE**

Executive Session

Executive Session for reasons permitted under Utah Code 52-4-205; 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, August 18, 2017, 10:30 a.m. AISU Board Room (2nd Floor Conference Room)

Board Members Present: Richard Maxfield, Mike Edmonds, Dan Griffith, Matt Bowman via phone

Attendees Present: Nate Justis, Mark Smith, Steve Finley, Joel Wright via phone

Secretary Present: Tracy Field

AGENDA & MEETING MINUTES

- I. **Welcome & Call to Order:** Richard Maxfield called the meeting to order. Thank you for coming. Recognized Royce Van Tassell.
- II. **Approval of Minutes:** VOTE. Richard Maxfield moves to approve the minutes from June 6 & July 17, 2017 Board Meetings
 - Richard calls for a motion to approve minutes
 - Dan Griffiths moves to approve minutes
 - Mike Edmonds seconds the motion
 - Vote in favor: Maxfield, Griffiths, Edmonds, Bowman (unanimous)
- III. **Public Comment:**
 - Christine Bentley. I have a daughter in the at home program, it's been a great experience, I've enrolled other children. I called the office to ask about the options for younger kids and was told the program was cancelled. Five kids in our neighborhood were not notified that the program would be canceled. Why was it canceled? What is the future? Is this the direction to phase out the at home program? Nate responded, K-3 at home is easy to support through Montessori; grades 4-8, we struggle to sustain and support; grades 9-12 are supported by our Learning Center. This year, we

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simplified the number of programs, we want to do them well, we will revisit the 4-8 program next year. I apologize that it was not communicated.

- Monica Black. Are there going to be changes to intensives at high school level? I heard there will be fewer options and shortened intensives? Nate & Mark responded, no changes, in fact we are expanding the number of intensives. Intensives vary between 9-10 days. Normally offered 35 choices, we may have 10 more. We shortened the leadership intensive at the beginning of the year, it was five days, now it's three days.

IV. Finance Review:

a. **Financial Update & Forecast:** Steve Finley.

- For revenue, all 55 international students have paid part or all tuition. Our budget will hold at that number. Not doing SOEP program with Harmony, that is a reduction in revenue and a reduction in expenses. Harmony dropped out of participation. Nate responded, we are listed as a provider; we are the first school listed. On October 1st we'll see the exact number of students recorded for AISU. For revenue planning we estimate 1,442 students, we are funded for 1,350 (the number from the spring.) We are on track with forecast. For cash flow we received \$30,000 more from the state than expected.
- Richard asked about staffing, changes in positions, restructuring and how it affected the budget. Dan asked, we have 42 days cash on hand; the goal is to have 90 days cash on hand. When can we expect that true up? Steve responded, 90 days is several years off.

b. **2017-2018 Budget & Facilities Review:** Mark Smith. Update on the \$750,000 loan. We are finishing the design center, increased the lease payments, and removed the 5th portable. The net effect of the \$750k decision is that our net income increased, our new budget target is \$1.135m. Update on facilities, a lot in process. Elementary school will be ready for students. The new Design Center will be done in 6-8 weeks.

d. **EB5 & Minority Investors Update:** Mark Smith. Four out of five EB5 investors are up for review by immigration services, each has received a notice that their EB5 application does not meet the EB5 requirements. The area immigration service challenged was that the investment is not at risk, the repayment cannot be guaranteed. The attorneys believe we should prevail. The investment documents say that the money is at risk, clearly stated in PPM.

e. **Renting Space AISU Parking Lot:** Mark Smith. VOTE. AISU can rent space to a local Hyundai Dealer, they will pay \$2000/month to rent the unused parking lot on north side for 4-6 months. This money, \$12,000, is ear marked for classroom supplies. Dan asked that we reviewed the insurance liability and subrogation, ask if AISU will be listed as an additional insured.

- Richard Maxfield asks for a motion
- Steve Finley offers legal review through Red Apple
- Dan Griffiths makes the motion to approve documents subject to an insurance review
- Mike Edmonds seconds the motion
- Vote in favor: Maxfield, Griffiths, Bowman, Edmonds

f. **Indoor Soccer Practice Facility:** Mark Smith. NO VOTE.

- AISU was approached about an indoor soccer practice facility (not full field.) We don't have enough PE space and not enough space for basketball games. We will



be able to have home basketball games. This year we budgeted \$10,000 for gym rental that will go towards this plan if approved. They propose a fabric building, 8-year life before fabric needs to be replaced. Immediate benefit, we pay \$25,000 per year to use the space, 100% for AISU to use during the day up to 6p for practice and afterschool. We are getting 24,000sf of PE and practice area. Long-term benefit, we will use the current gym space for middle school, get rid of the \$90,000/year portable expense. We will start to refit the current gym as soon as the bubble is ready. Located north of the where the portables are now, near where 1-3 grade drop off last year.

- Mike Edmonds we discussed this in the finance committee, Mike E, Dan, and Mark will study proposal and report back to the board. We could have a special board meeting just to approve this if necessary.
- Dan Griffiths, when do they want a decision? By November 2017.
- Mike Edmonds will review all insurance and details of the agreement.
- Matt Bowman asked how long is the lease? Eight years for them to use the space. Our commitment is a one-year lease.

V. **Legal Update:** Mark Smith.

- AISU could not fulfill contractual offers for two teachers to teach in China, both teachers incurred relocation and housing costs, the total cost of the settlement is \$17,000. These are two of our best high school teachers; we held positions open for them.
- We continue to have a lot of issues related to getting ourselves as the registered person for AISU with the State. The entity AISU, its bank accounts and its website were registered personally in Mike Farley's name. We need AISUtah.org or we need a new name, we are ready to launch a new website. Mike Farley (in attendance) said he offered to sign it (AISUtah.org) over. Mark corrected, you specifically offered to trade it for something, Mike Farley responded, which you agreed to.
- Unresolved legal issue, \$120,000 was transferred out of AIS/AISU accounts, it has not been returned.
- Fabian Vancott was given a \$40,000 retainer; we are trying to recover \$12,000 of that retainer. Mike Farley engaged them on behalf of AIS, adversarial to AISU. When Mike was terminated, we terminated the contract. Joel Wright asked if Kevin Anderson responded to our emails or turned over the documents we requested? Kevin acknowledged the \$12,000; they spent it after we terminated them as counsel. They have not given us any documents. Kevin indicated he would not return the \$12,000. Kevin gave rationale—same as not giving us the documents, he does not agree there is a client confidentiality or conflict of interest and still represents Mike Farley as an individual. He has tied them all together. We cannot have any of the documents because of that even though we paid for them. Continue discussion during executive session.

VI. **Introduce Board Committees and Committee Chairs:** Richard Maxfield. In an effort to get organized, we've created these committees to execute the board's responsibilities.



- a. **Communications Committee:** Matt Bowman. On 8/3/17 we had a great meeting with PTO, staff, student body, and parents. Three things came out of that for next few months. 1. Website. 2. Standardized parent newsletter every other Tuesday. 3. Clean up our data, emails wrong/outdated, provide parents and staff with accurate contact info. We met with Royce 8/18/17.
 - i. **Parent Communication Plan:** Nate Justis. We had a positive first meeting, we want more parents to attend, great staff turnout, we had the PTO presidents and community council. Jordan King is our Communications Specialist. Handout provides newsletters, social media accounts, website preview link available, accurate data, and a school calendar (cc: the BOD emails) Plan to meet 3 times per year, one time each trimester.
 - ii. **Staff Communication Plan:** Nate Justis. We talked with staff. We have a leadership team of teachers to represent the teachers, these leads will support their teams, decide who teach what, procure materials/supplies, facilitate the support of their department and leadership role includes coaching teachers. Professional learning, lead teachers will have time to be in the classroom, they have one out of eight blocks available to support their team. They provide leadership council, providing a lot of support, three teachers volunteered for a subcommittee to review staff evaluation tools. Richard asked the evaluation be shared with the board. Question: Regan asked if there will be any parent input on staff evaluations? No not currently but we have student input through course evaluations, we could look at parent input.
- b. **Finance & Accounting Committee:** Mike Edmonds. We will meet in advance of board meetings to review financials, and we will go back and look at things after the meeting.
- c. **Audit Committee:** Dan Griffiths. I'm new; this is my first board meeting. We have some concerns with State audit and Squire audits. We will have to do RFPs for most of the contracts with the school. Mike Edmonds, we had reduced the money on the audit line item but now would like to make that money available. We should sit on each other's committees as the State recommended we keep them separate.
- d. **Fundraising Committee:** Diane Johnson (read by Tracy) The Fundraising Committee would coordinate fundraising efforts for the school. This could include pursuing corporate sponsorship for intensives and other fundraising events. It could include a liaison to coordinate with PTO fundraising efforts. This committee should work with the Superintendent and other stakeholders to determine what fundraising is needed and set priorities for funds raised.
- e. **Nomination Committee:** Diane Johnson (read by Tracy) This committee would be responsible for soliciting nominations at the appropriate times, interviewing, and presenting potential board and committee members to the full Board. The Nomination Committee should consist of at least 5 Board Members. At least one of these board members would always assist the AISU Superintendent to do the initial interviews
- f. **Advisory Council:** Diane Johnson (read by Tracy) The Advisory Council to the Board could consist of representatives of all of the major stakeholders in AISU. It could include faculty, staff, students, parents, teachers, community members. It could include representatives of other organizations such as the community council and PTO. The Advisory Council would have specific areas of the AISU experience and environment that they would advise on.



- VII. **Board Member Nominations Update:** Diane Johnson
- a. **Nominee Interview Updates:** Nate Justis. Diane and I interviewed all candidates from July and invited nominees to address the board
 - b. **Nominee Introductions:** Two minutes each. Dan asked how many board members are we targeting? Currently we have 6, increase to 7, potentially 9.
 1. What are the three areas you are most passionate about related to AISU's mission?
 2. What special skills and experience do you bring to a board role?
 3. How best can the Board leverage your skills?
 - Nate read Nick Galieti's response to the 3 questions
 - Nate read Manny Rangel's response to the 3 questions
 - Rachel Fields joined via phone to respond to the 3 questions
 - Austin Miles joined via phone to respond to the 3 questions
 - Nicole Rich addressed the board responding to the 3 questions
 - Regan Barnes addressed the board responding to the 3 questions
 - d. **Laura Hamilton nominated for Board Secretary:** Nate Justis. VOTE. This is a non-voting role at this time. Nate presented Laura's background.
 - Richard Maxfield do we want to accept the new board secretary now or wait until she returns from out of town.
 - Dan Griffiths makes motion to accept nomination
 - Mike Edmonds seconds the motion
 - Vote in favor: Accept Laura Hamilton as Board Secretary and leverage her HR experience for \$1000/month...Maxfield, Griffiths, Bowman, Edmonds
Nate added that Diane recommended we have other board members be involved in the nomination committee. At a min, one additional board member.
Dan Griffiths volunteered to help the nomination committee.
- VIII. **Charter Implementation Plan Progress Report:** Nate Justis. The board packet included, one page summary, what I'd like from the board "what I see in the AISU charter is the same as what you see. I would welcome your feedback.
- IX. **Student Test Results Plan:** Nate Justis. We have not emphasized scoring at the top of the SAGE test. I don't want to be a school that "mastered teaching to the test." A chart was included in packet. Already working on this plan, presented it a few months ago. Staff had good ideas and input, 1. Improve test environment, 2. Communicate to students to do their best, Richard asked what's the next step? It is in the hands of teachers, building time with students in class to practice using the test technology. Richard said we still have issues with students not owning their own learning, and the learning climate has work to be done. Nate, we've made huge strides since year one, always strive to do better, build out crew curriculum, improve student ownership. Richard added a concern that we are not tracking the problems before we get to the end of the year. If we don't track students, we get behind. Nate, yes, let's get in front of it. SAGE scores are not adequate. We are making number of direct changes with out changing our philosophy and culture.
- X. **Board Training and/or Compliance Updates:** Richard Maxfield
- a. Utah Association of Public Charter Schools offers training.



- b. We have to be trained in several areas. Royce's team provides training. Royce responded, we have a great staff, we can customize some training, improve board functions, skills & practices, we tailor to charters. Do some training each meeting as a group.

XI. **Partnership Opportunities:** Nate Justis. We met with Steve Buhenin & Stan, they have developed a reading program to improve literacy (and English), we'd like to scale it to make it available through SOEP. They are working on a proposal; we can employ part-time teachers to support it. Trying to get it approved for concurrent enrollment, potential college credit. AISU is an SOEP provider. State Online Education Program (SOEP) is a Utah created program for students throughout Utah to take classes online from approved providers. The approved provider receives a portion of that student's funding.

XII. **Chairman's Report:** Richard Maxfield. We've been operating for 3 years; it is time to review services and contracts. We need to start RFPs for financial services and other services. Dan noted that some of contracts are in violation of terms, let's put fresh contracts in place to be sure we are in compliance. Dan asked that a draft of the RFP be sent to him and Mike Edmonds.

XIII. **Executive Session:** VOTE. Dan Griffiths will call-in for executive session so we will have a quorum. Tracy read...Executive Session for reasons permitted under Utah Code 52-4-205; 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.

- Richard accepts a motion to go into executive session
- Dan Griffiths moves
- Mike Edmonds seconds the motion
- Vote in Favor by name: Matt Bowman – yes via phone, Dan Griffiths – yes via phone, Richard – yes, present, Mike Edmonds – yes, present.

(recorded session 170818_0049 & 50)

- Richard Maxfield accepts a motion to adjourn executive session
- Mike Edmonds moves to adjourn executive session
- Matt Bowman seconds the motion
- Vote in favor: Matt Bowman, Mike Edmonds, Richard Maxfield (Dan Griffiths dropped off call)

We are out of executive session

- Richard Maxfield accepts a motion to go back into public session
- Matt Bowman makes the motion
- Mike Edmonds seconds the motion
- Vote in favor: Matt Bowman, Mike Edmonds, Richard Maxfield



XIV. **Other business:** Richard Maxfield. We do not have any other business.

XV. **Adjourn:** VOTE

- Richard Maxfield will accept a motion to adjourn
- Mike Edmonds makes a motion to adjourn
- Matt Bowman seconds the motion
- Vote in favor: Mike Edmonds, Matt Bowman, Richard Maxfield

(there was a problem with the recording device, no recording,
transcribed last 2 minutes of public session)