American Academy of Innovation Board Meeting  
January 31, 2019

Present Board Members: Shawn Perkins, Susan Bond, Chetan Dave, Clint Johnson, Mark DaBell  
Absent: Julie Goldklang and Rodayne Esmay  
Present School Admin: Mia Prazen, Jana Houston, Scott Jones, Stacey Thompson  
Visitor: David Robertson from LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.

Meeting started at 7:11 PM

Motion to accept November 26th 2018 meeting minutes – Susan Bond 1st/Chetan Dave 2nd – All in Favor

Marketing Update: We received first draft of AAI’s 30 second spot that was filmed earlier in the week for KUTV/KMYU advertising. The spot will be aired in targeted zip codes and to age groups via streaming program platform.

Open houses (info session and school tours) have started on Thursday evenings and monthly mailers that goes to all new move-ins in 84009 each month will be updated with new open house dates thru May 2019. Advertisement posters are being posted around the community. Website has been updated to reflect new changes and content/program updates.

Enrollment Update:  
Current 18-19 enrollment at start of new semester is 297 with 4 new students enrolling and ready to begin next week – totaling 301. (Oct 1 count was 303 and ADM funding is based on 319) 2019-20 Enrollment spreadsheet update was shared out to board members via email and discussed. Current students that have re-enrolled to date is 132 and brand-new fully enrolled students are at 51 for a total of 183. Enrollment target is 380 for the 2019-20 school year.

Mid-Year Update on Strategic Goals:  
Progress is being made but language of goal may need to be adjusted in the future. For example, we used a university partnership to bridge to an international partnership, however, we have already formed an international partnership with CHOICE Humanitarian. – AAI is developing a curriculum around CHOICE to partner with teams to help with a specific international village project.  
We also have students earning recognized certifications from Adobe and Microsoft (Goal #3) but they are not necessarily or exclusively graduates (12th graders) right now. Board agrees we will update language and add clarity end of school year as we revise strategic goals for new school year.

Financial Update November and December 2018:  
Jana Short, Business Manager walks board through financial statements. November reflects Oct. 1 official enrollment count (see summary sheet on each monthly report for Nov & Dec 2018) Critical Needs funding from April 2018 ($54K) is anticipated to be received March 1st and federal reimbursable funds in April/May. Critical needs and other funding were held up because of the new Utah Grants system that was rolled out this year and took time for USBE to get implemented and LEA’s programs to be fully updated in the system.
Motion to accept November and December financials –
Clint Johnson 1st/ Mark Dabell 2nd – All in Favor

Facility Financing/Bond Underwriter RFP:
Financial Advisor David Robertson from LEWIS YOUNG ROBERTSON & BURNINGHAM, INC. presented three RFP’s for Underwriter engagement to manage AAI’s bond/finance offering. Handout outlined 1. Underwriter responsibilities and duties and 2. Underwriter proposal and analysis. Several board members asked questions regarding total cost/fees for financing package, what to anticipate for timeline and due diligence. David outlined terms and what total cost may look like including potential payment terms and how he is structuring in a way so if we hit enrollment bench marks there will be +/- $600K in funding to complete the four-classroom expansion in 1-2 years so we can accommodate charter cap of 420 students. Also, what if Stifel changes terms/rate (TIC) can we change underwriters and what set back would that cause? David says that that is possible and therefore would switch to the next RFP with D.A. Davidson and would not impact time line more than a couple weeks as our counsel will be drafting all of our supporting documentation. He does not anticipate this as he communicated with Stifel several times to make sure they were confident with their bid. David will continue to communicate with Boyer to keep them up to date on progress and details of financing terms.

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David Robertson recommends Stifel, Nicolaus & Co. Inc. as the underwriter company to go with as the winning bidder of RFP process.

Motion - Shawn Perkins 1st/ Chetan Dave 2nd - All in Favor

National School Lunch Program Update:

AAI rolled out the National School Lunch Program on October 24, 2018. We received federal and state reimbursement for the partial month at $1,200.12 and $3,907.92 in November. We anticipate that we will continue to receive a reimbursement each month around the same amount as the November allotment to subsidize the cost of free or reduced student lunches. The program is still new and will take some time to dial in the menu and other a la carte options. The program is currently serving on average 120 students per day and only 50 percent of students who have free or reduced benefits are taking advantage of the program.

David Kimball, the Food Service Director, is reviewing the menus and taking other measures to see if we can increase participation. We are offering a full meal option as well as a la carte items for purchase. Our student body has been accustomed to bringing lunch and may be slower to adopt. We do find that students who transfer to AAI are more inclined to eat lunch here. It will take time and additional marketing to grow the program.
**Director Compensation Changes:**
Current compensation agreement is a base salary (annually) of $92,700 ($7,725 monthly) and also cover monthly Health insurance premiums for employee only. Director needs to have family on an insurance plan immediately - so is proposed to go to a contract for service for just remaining 5 months (Feb to June 2019) of fiscal year. Board members discussed splitting difference of monthly health insurance benefit cost ($700) and adding $350 to the monthly contract amount as a fair adjustment. Board proposed a monthly compensation rate of $8,075. Terms and compensation for this revised contract for service was agreed upon. Also noted: There was a Director bonus structure created at annual contract renewal by the board in July 2018 that is now agreed to be dissolved because of the change of agreement and will be revisited in June 2019 for new fiscal year.

**Motion - Shawn Perkins 1st/Mark DaBell 2nd - All in Favor**

END MEETING 9:17pm
*Next Board Meeting Scheduled for Wed Feb 20th*