



**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
LEAD PUBLIC SCHOOLS, INC.
June 16, 2020**

Pursuant to notice duly given, LEAD Public Schools, Inc. (the “Company”) held a Board of Directors meeting at 3:30 p.m. on Tuesday, June 16, 2020, with each attendee participating electronically by Zoom in deference to the Metro Health Department’s then current order requiring social distancing.

Directors Participating by Telephone: Dwayne Tucker, Carter Paine, Jimmie Strong, Earl Lattimore, Kim Ames, Don Williamson, Don Taylor, Jimmy Patton, Mike Honious, Rob Keller, Valerie Hayes, Linda Pannock, Jerome Oglesby and Annette Little

Directors Absent: Judge Richard Dinkins and Alex Ryerson

Others Present by Telephone: Adrienne Useted (CFO), Jay Brown (Head of Schools ASD), LaVoe Mulgrew (Head of Schools MNPS), Jon Zlock (Director of Communication), Corey Burton (Director of Enrollment and Family Engagement), Eloise Alexis (Vice President of Development), Gary Satyshur (Director of Operations), Tait Danhausen (Principal, LEAD Neely’s Bend), Paige Pennigar (LSE High), Lindsay Roe (Cameron), Elizabeth Phelps (Cameron), Ashley Montgomery (Board Intern), and Chris Whitson (Legal Counsel)

1. Call to Order: Carter Paine (Chairman)
 - a. Confirmation that the Board received the Board materials, which were previously distributed, and confirmation of a quorum.
 - b. Detailing the Agenda.

2. Approval of May 12, 2020 Board Minutes: Carter Paine (Chairman)
 - a. Motion: Don Williamson
 - b. Second: Linda Pannock
 - c. Unanimous Approval of Minutes

3. Introduction of Blue Ribbon Teachers: LaVoe Mulgrew (Head of Schools MNPS)
 - a. At this time, Ms. Mulgrew introduced the three Blue Ribbon Teachers for 2020: Paige Pennigar (LSE High), Lindsay Roe (Cameron), and Elizabeth Phelps (Cameron).
 - b. Each of Ms. Pennigar, Ms. Roe, and Ms. Phelps described their experience with LEAD, their teaching environment, and the rewards and challenges of their positions.
 - c. The Board asked numerous questions on a broad spectrum of issues regarding the challenges each faced in their schools and classrooms and the best ways that the Board could assist in alleviating or eliminating any of these challenges. A broad ranging discussion regarding LEAD's educational environment ensued.

4. Development Update: Eloise Alexis (Vice President of Development)
 - a. Ms. Alexis led the Board through a brief presentation regarding the Company's ongoing initiatives and the results of LEAD's first virtual fundraiser.
 - b. Ms. Alexis then made her recommendations for LEAD's commitment breakfast for 2021.
 - c. Ms. Alexis updated the Board on philanthropy and grants year-to-date and reiterated to the Board her fiscal year-end priorities.
 - d. Ms. Alexis answered questions from the Board.

5. Finance Update: Adrienne Useted (CFO)
 - a. Ms. Useted then provided the Board with a thorough overview of next year's anticipated budget, highlighting the Company's continued investment in teacher compensation, effective leadership and remote learning. Ms. Useted noted that the budget forecast EBITDA of \$1.472M, a neutral cash position, and results which would meet all of the Company's loan covenants with the bank.
 - b. Ms. Useted then led the Board through a discussion on assumptions included in the budget regarding enrollment, per pupil funding, philanthropy, revenue, and personnel.
 - c. Ms. Useted then presented the Board with cash flow projections.
 - d. Ms. Useted then led the Board through a discussion of the budgets risks and opportunities, as well as the management teams contingency planning for variables that could occur.
 - e. Ms. Useted answered numerous questions from the Board regarding the Company's proposed budget.
 - f. At this point Mr. Patton, on behalf of the finance committee, proposed that the Board approve the budget as presented, (i) motion: Mike Honious, (ii), second: Don Taylor, and (iii) unanimous approval of the budget.

6. Contract Approval: Adrienne Useted (CFO)
 - a. Ms. Useted then led the Board through a presentation regarding two contracts, which required Board approval.
 - b. Ms. Useted first detailed a new agreement with ABM, which would provide the Company with janitorial services and which would cost an aggregate of \$592,487.
 - c. Ms. Useted then described the agreement with Nextiva regarding phone services at an annual cost of \$27,794.
 - d. Ms. Useted then requested a motion to approve both of these contracts, (i) motion: Carter Paine, (ii) second: Valerie Hayes, (iii) unanimous approval of both contracts.

7. Potential Loan from Charter School Growth Fund: Adrienne Useted (CFO)
 - a. Ms. Useted then outlined the terms of a potential loan from the Charter School Growth Fund. The terms of the loan were further detailed in the Resolution of the Board of Directors of LEAD Public Schools, a copy of which is attached as Exhibit A to these Minutes, and which had been distributed to the Board electronically prior to the meeting.
 - b. Ms. Useted answered numerous questions from the Board regarding the potential loan.
 - c. Ms. Useted then requested a motion to approve the loan as detailed in the Resolutions attached as Exhibit A, (i) motion: Don Taylor, (i) second: Kim Ames, (iii) unanimous approval of the loan and the Resolutions attached as Exhibit A, and (iv) the Board unanimously approved Mr. Tucker executing the Certification to the Resolutions.

8. Potential Dates for Board Meetings for the 2020–21 school year: Dwayne Tucker (CEO)
 - a. Mr. Tucker then discussed potential dates for Board meetings for the 2020–21 school year, suggesting Tuesday, August 11, Tuesday, October 13, a potential required meeting in December, Tuesday, February 9, Tuesday, May 11, and Tuesday, June 8.
 - b. The Board was in agreement with each of the proposed dates, with the understanding that a Board meeting might be necessary in December.

9. Executive Session: Dwayne Tucker (CEO)
 - a. Mr. Tucker provided the Board with his CEO update, detailing the Network’s accomplishments, potential opportunities, and a risk and opportunity assessment with special emphasis on the Company’s opportunity with respect to connectivity and remote learning for its students.
 - b. At this time, Mr. Tucker led the Board through a discussion regarding management incentive pay. Upon hearing Mr. Tucker’s recommendation, the Board voted unanimously to approve granting an award of 100% of incentive pay for the staff,

given the tremendous efforts of all concerned in an incredibly difficult educational environment.

- c. The Board then engaged in a lengthy discussion of equity in education.

There being no further business to come before the Board, the meeting was adjourned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Chris Whitson". The signature is written in a cursive, flowing style.

Chris Whitson
Counsel to LEAD Public Schools, Inc., and acting Secretary

RESOLUTION
BOARD OF DIRECTORS LEAD Public Schools
June 16, 2020

APPROVAL OF CHARTER SCHOOL GROWTH FUND LOAN

WHEREAS, the Board of Directors of LEAD Public Schools, Inc (the "Board") has been presented with information relating to a Subordinated Loan Agreement between CHARTER FUND, INC., a Delaware nonprofit nonstock corporation, doing business as Charter School Growth Fund (the "Lender"), and LEAD Public Schools, Inc. (the "Company or Borrower");

WHEREAS, the Borrower has applied to the Lender for a loan in the amount of three hundred thousand DOLLARS (\$300,000), with the proceeds thereof to be used by the Borrower to support all of the charter schools managed and/or operated by the Borrower in carrying out its charitable tax-exempt purposes (the "Loan");

WHEREAS, the Board has reviewed, fully considered, and vetted the relevant facts and circumstances concerning the Loan; and

WHEREAS, the Board has determined that it is in the best interests of the Company to approve the Company entering into the Subordinated Loan Agreement in order to obtain the Loan from Lender;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes and approves the Company entering into the Loan and Subordinated Loan Agreement; and

RESOLVED FURTHER that the Board hereby authorizes and directs the officers of the Company to take such actions and execute all documents as are necessary and appropriate for the Company to enter into the Subordinated Loan Agreement and to carry out its duties as the Borrower in connection with the Lender and further ratifies all actions by CEO Dwayne Tucker and/or his delegee(s) taken on behalf of the Borrower, in its capacity as Borrower, to do all that is necessary to effect and complete such, financing with the purpose of carrying out the above stated purposes.

CERTIFIED AS TO ADOPTION BY THE BOARD ON BEHALF OF THE BORROWER BY:



Dwayne Tucker, CEO

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