



**MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS OF
LEAD PUBLIC SCHOOLS, INC.
May 12, 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, May 12, 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 Judge Richard Dinkins

Directors Absent: Annette Little 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), Chris Elliot (Head of Academics and Innovation), Eloise Alexis (Vice President of Development), Gary Satyshur (Director of Operations), Tait Danhausen (Principal, LEAD Neely’s Bend), Ashley Montgomery (Board Intern), and Chris Whitson (Legal Counsel)

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

2. Approval of February 11, 2020 Board Minutes: Carter Paine (Chairman)
 - a. Motion: Carter Paine
 - b. Second: Linda Pannock
 - c. Unanimous Approval of Minutes

3. Questions and Answers with the Leadership Team: Dwayne Tucker (CEO)
 - a. At this time, given the unprecedented period facing the Company's schools, Mr. Tucker opened the floor for the Board to ask questions of the Company Leadership Team.
 - b. The Board asked numerous questions on a broad spectrum of issues, including, without limitation, education methodology, distance learning, plans for next year, parents' concerns, and the progress of students during this unprecedented time of remote learning.
 - c. The Leadership Team answered each of the Board's questions thoroughly.

4. Development Update: Eloise Alexis (Vice President of Development)
 - a. Ms. Alexis then led the Board through a brief presentation regarding the Company's first virtual fundraiser to be conducted on Thursday May 14.
 - b. Ms. Alexis answered questions from the Board.

5. Finance Update: Adrienne Useted (CFO)
 - a. Ms. Useted led the Board through a discussion regarding the Company's decision to apply for PPP Funding under the CARES Act, the Treasury Department's revised guidance after the Company had received the PPP Funding, and the Company's ultimate decision to return the funding based on Treasury's new guidance. The Board asked numerous questions regarding the Company's decision to return the PPP Funding, with Ms. Useted and Mr. Tucker answering each of these questions thoroughly. The Board was united in its approval of the return of the PPP Funding, given the Treasury's revised guidance.
 - b. Ms. Useted led the Board through a finance update focusing on the financial forecast for the remainder of the year, including the anticipated 7% decrease in per pupil funding, which would result in a \$2 million drop in revenue.
 - c. Ms. Useted then advised the Board that Management's focus was on preserving cash, cutting costs (transportation, hiring freeze, decreased capital expenditures, etc.), but avoiding any layoffs of employees and protecting the new compensation plan for teachers.
 - d. Ms. Useted then provided the Board with a brief overview of next year's anticipated budget, noting that the full budget would come before the Board in June.
 - e. Ms. Useted answered numerous questions from the Board regarding the Company's finances.

6. Contract Approval: Adrian 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 Innovate EDU, Inc., which would provide the Company with a data integration platform and which would cost \$12,000.
- c. Ms. Useted then described the proposed renewal of the Company's \$1 million line of credit with Capstar Bank, which renewal would be on the exact same terms as the Company's existing line of credit.
- d. Ms. Useted then requested a motion to approve both of these contracts.
 - i. Motion: Judge Dinkins
 - ii. Second: Carter Paine
 - iii. Unanimous approval of both contracts
 - iv. With respect to the Capstar loan renewal, the Board authorized both of Mr. Tucker and Ms. Useted to (i) finalize any necessary documents with Capstar, (ii) execute, on behalf of the Company and/or its subsidiaries, any required documents, (iii) pay any applicable closing fees, and (iv) take any and all actions required to finalize the loan on behalf of the Company.

7. 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 of management succession.

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

Respectfully submitted,



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