

Ascent Academies of Utah Board of Directors Meeting

Date: December 15, 2025

Time: 9:00AM

Anchor Location: <https://us02web.zoom.us/j/86741984520>



AGENDA

CALL TO ORDER

AUDIT PRESENTATION

PUBLIC COMMENT (Limited to three minutes each)

- 2026/2027 Fee Schedule

CONSENT ITEMS

- September 24, 2025, Board Meeting and Closed Session Minutes

REPORTS

- Director's Report
- Finance Report

VOTING & DISCUSSION ITEMS

- Landscaping Quote
- 2026-2027 School Calendar
- LEA Licenses
- Central Office Lease
- Playground Invoice (West Jordan Campus)
- Policies
 - Hotline Policy
 - Bullying & Hazing Policy
 - Paid Postpartum & Recovery Leave Policy
 - Instructional Materials Policy

CLOSED SESSION- to discuss the character professional competence, or physical or mental health of an individual pursuant to Utah Code 52-4-205(1)(a).

ADJOURN

In compliance with the Americans with Disabilities Act, persons needing accommodations for this meeting should call 801-444-9378 to make appropriate arrangements. One or more board members may participate electronically or telephonically pursuant to UCA 52-4-207.



November 25, 2025

The Board of Directors
Ascent Academies of Utah
5662 West 8200 South
West Jordan, UT

We have audited the financial statements of Ascent Academies of Utah as of and for the year ended June 30, 2025, and have issued our report thereon dated November 25, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards*

As communicated in our letter dated May 20, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Ascent Academies of Utah solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated November 25, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Ascent Academies of Utah is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. No such sensitive accounting estimates were identified.

Financial Statement Disclosures

There were no financial statement disclosures that we consider to be particularly sensitive or involve significant judgment.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify any circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated November 25, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Ascent Academies of Utah, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Ascent Academies of Utah's auditors.

This report is intended solely for the information and use of the Board of Directors and management of Ascent Academies of Utah and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Eric Sully LLP". The signature is written in a cursive, flowing style.

Ogden, Utah

Financial Statements
June 30, 2025

Ascent Academies of Utah

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Independent Auditor's Report

The Board of Directors
Ascent Academies of Utah
West Jordan, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of Ascent Academies of Utah (the School) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the School, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of revenue, expenditures, and changes in fund balance – budget and actual – general fund and notes to the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2025, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Ogden, Utah
November 25, 2025

The discussion and analysis of Ascent Academies of Utah's (the School) financial performance provides an overall review of financial activities for the fiscal year.

FINANCIAL HIGHLIGHTS

In fiscal year 2025, the School experienced an approximate 9% increase in total revenues from local, state, and federal sources. This growth was primarily driven by a 3.7% increase in enrollment and a 6% rise in the Weighted Pupil Unit (WPU) and Local Replacement Funding (LRF) compared to the previous year.

To accommodate the expanding student population, the School completed construction and placed into service a new building at its Saratoga Springs campus. The School also purchased classroom furniture, kitchen equipment, and technology to equip the new facility and support ongoing instructional needs.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serve as an introduction to the School's basic financial statements. These financial statements include three primary components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

The basic financial statements consist of two kinds of statements that present different views of the School's financial activities.

Government-Wide Financial Statements (GWFS)

The GWFS (i.e., Statement of Net Position and Statement of Activities) provides readers with a broad overview of the School's finances. The government-wide statements report information about the School as a whole using accounting methods similar to those used by private-sector companies.

The Statement of Net Position provides information on all of the assets and liabilities of the School with the difference between the two providing the net position. Increases or decreases in the net position may indicate whether the financial position of the School is improving or deteriorating, respectively.

The Statement of Activities reflects changes in net position during the fiscal year. Changes in net position are reported using the accrual basis of accounting, similar to that used by private-sector companies. Accrual basis accounting takes into account all current year related revenue and expenditures, regardless of when cash is received or paid.

The GWFS presents an aggregate view of the School's finances and contains useful long-term information as well as information for the just-completed fiscal year.

To assess the overall financial condition of the School, additional non-financial factors, such as changes in the condition of school buildings and other facilities, should be considered.

In the GWFS, the School's activities are all classified as governmental activities. Governmental activities include all regular and special education, all educational support activities, administration, custodial, maintenance, transportation, and food services. Most of these activities are supported by the State of Utah Minimum School Program. The GWFS can be found on pages 9-10 of this report.

Fund Financial Statements

Funds are accounting devices the School uses to keep track of sources of funding and spending on particular programs and to demonstrate compliance with various regulatory requirements. Fund financial statements focus on individual parts of the School. Fund statements generally report operations in more detail than the government-wide statements. This statement focuses on its most significant or "major" funds and not on the School as a whole.

The School establishes other funds, as necessary, to control and manage money for particular purposes or to show that it is properly using certain revenue.

Governmental Funds

Governmental funds account for nearly the same functions as the governmental activities. However, unlike the GWFS, governmental funds focus on near-term inflows and outflows as well as the balances left at year-end that are available for funding future basic services.

It is useful to compare information found in the governmental funds with that of the governmental activities. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions.

The basic governmental funds financial statements can be found on pages 11-15 of this report.

Notes

The notes to the financial statements starting on page 16 provide further explanation of some of the information in the statements and provide additional disclosures so statement users have a complete picture of the School's financial activities and position.

Required supplementary information further explains and supports the financial statements by including a comparison of the School's budget data for the year.

Government-Wide Financial Analysis

Net position may serve as a useful indicator of an organization's financial position.

	2025	2024
Assets		
Current and other assets	\$ 18,960,233	\$ 20,037,864
Capital assets	69,311,723	66,891,504
Total assets	<u>\$ 88,271,956</u>	<u>\$ 86,929,368</u>
Liabilities		
Current and other liabilities	\$ 2,689,089	\$ 2,379,417
Long-term liabilities	85,770,094	86,558,354
Total liabilities	<u>88,459,183</u>	<u>88,937,771</u>
Net Position		
Net investment in capital assets	(16,258,371)	(19,666,850)
Restricted	7,780,554	13,655,300
Unrestricted	8,290,590	4,003,147
Total net position	<u>\$ (187,227)</u>	<u>\$ (2,008,403)</u>

A portion of the School's net position is the investments in capital assets (i.e., buildings, land, furniture and equipment, computers, capital improvements, right-to-use leased office space, and portable classrooms) and the related debt used to acquire those assets still outstanding. These capital assets provide services to students; consequently, these assets are not available for future spending. The negative net investment in capital assets is due to cumulative depreciation of the respective capital assets exceeding the cumulative principal repayments on the related long-term debt. Restricted net position is restricted for debt service and program restrictions. The remaining portion of the School's net position is unrestricted.

Governmental Activities

Changes in Net Position – The table below shows the changes in net position for the fiscal years 2025 and 2024. The School relies on state and federal support for 96% of its governmental activities for the year ended June 30, 2025. The School had total revenue of \$36,816,745 and total expenses of \$34,995,569 during the year ended June 30, 2025. The School had an increase in net position of \$1,821,176 during the year ended June 30, 2025. The School's net position increase can be attributed to increased enrollment and state funding, compounded with the efficient and effective budgeting and monitoring of finances by the Director and Board of Directors.

	<u>2025</u>	<u>2024</u>	<u>Change</u>
Revenue			
Program revenue			
State and federal aid	\$ 35,372,310	\$ 32,649,386	\$ 2,722,924
Charges for services	452,938	421,624	31,314
Operating grants and contributions	48,256	60,280	(12,024)
Earnings on investments	699,385	325,548	373,837
Other local revenue	243,856	219,574	24,282
	<u>36,816,745</u>	<u>33,676,412</u>	<u>3,140,333</u>
Expenses			
Instructional	18,642,502	18,461,778	180,724
Support services			
Students	1,636,089	1,685,826	(49,737)
Staff assistance	680,679	630,712	49,967
General	22,747	22,947	(200)
School administration	2,354,963	2,262,140	92,823
Central services	1,722,457	1,171,566	550,891
Operation and maintenance of facilities	3,438,704	3,263,700	175,004
Transportation	26,600	18,229	8,371
Facilities acquisition and construction	-	212,670	(212,670)
School food services	1,417,126	1,513,798	(96,672)
Interest and other costs	5,053,702	4,153,042	900,660
	<u>34,995,569</u>	<u>33,396,408</u>	<u>1,599,161</u>
Change in Net Position	<u>\$ 1,821,176</u>	<u>\$ 280,004</u>	<u>\$ 1,541,172</u>

Governmental Funds

The focus of the School's governmental funds is to provide balances of spendable resources and to provide data on near-term inflows and outflows.

General Fund – The general fund is the general operating fund for the School. At the end of the current fiscal year, the general fund balance is \$16,481,071, which is a decrease of \$1,278,912 from the prior year. The decrease in the general fund balance reflects the final payment for the Saratoga Springs campus expansion, completed in the first quarter of fiscal year 2025. The payment was made using restricted funds from the prior year's bond issuance.

Expenditures for general School purposes totaled \$38,295,657, which is a decrease of \$21,357,283 from the prior year. The sharp decline in expenditures is due to the prior year's one-time costs associated with purchasing the existing Saratoga Springs campus property and constructing most of the new expansion.

General fund salaries totaled \$15,774,257, while the associated fringe benefits of retirement, social security, unemployment, workers compensation, health, dental, and vision added \$4,975,068 to arrive at 54% of the School's general fund expenditures.

Budgetary Highlights

The School adopts an original budget in June for the subsequent year.

Actual expenditures in the General Fund were \$931,938 less than the amended budget. The budget was prepared with a conservative approach for revenues and year-end expenditures. This resulted in the School's actual expenditures coming in under budgeted expenditures.

Capital Assets

The School has invested \$79,657,500 in a wide range of capital assets, but primarily in land and buildings. The total accumulated depreciation and amortization on these assets amounts to \$10,345,777. There were capital asset additions of \$4,576,365 for fiscal year 2025. Additional information regarding the School's capital assets can be found in Note 3 to the basic financial statements.

Long-Term Debt

Long-term debt consists primarily of the 2022 Series bond with a financial institution acting as trustee totaling \$48,795,000, with rates ranging from 4.25% to 5.00%. The bonds mature in June 2057. The 2022 Series bonds were issued to refund the previous notes payable and leases with various lenders. The 2024 Series bonds were issued with a financial institution acting as trustee totaling \$37,480,000, with a rate of 6.75%. The bonds mature in June 2059. The 2024 Series bonds were issued to finance the acquisition of the School's Saratoga Springs location and to finance improvements. The School also has a \$200,000 note payable with the Utah State Board of Education that bears interest at 2.68%, the note matures in September 2029. The School is required to meet certain covenants, including debt coverage and cash available as defined, by their bonds payable agreements. Long-term debt also consists of a lease liability for office space. See Notes 4 and 5 to the financial statements for more information about long-term debt.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the School's finances and to demonstrate the School's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School at 5662 West 8200 South, West Jordan, Utah 84081, or by phone at 801-806-6022.

Ascent Academies of Utah
Statement of Net Position
June 30, 2025

	<u>Governmental Activities</u>
Assets	
Cash and investments	\$ 10,762,760
Restricted cash and investments	6,868,747
State receivables	213,561
Federal receivables	1,007,460
Other receivables	11,263
Prepaid expenses	96,442
Capital assets (not subject to depreciation)	12,407,254
Capital assets (net of accumulated depreciation and amortization)	<u>56,904,469</u>
Total assets	<u>88,271,956</u>
Liabilities	
Accounts payable	194,909
Accrued liabilities	2,284,252
Accrued interest	209,928
Long-term liabilities	
Due within one year - bonds payable and lease liability	760,159
Due in more than one year - bonds payable and lease liability	<u>85,009,935</u>
Total liabilities	<u>88,459,183</u>
Net Position	
Net investment in capital assets	(16,258,371)
Restricted for	
Food service	673,991
School land trust	24,867
Educator professional time	205,955
College and career awareness	6,994
Debt service	6,868,747
Unrestricted	<u>8,290,590</u>
Total net position	<u>\$ (187,227)</u>

Ascent Academies of Utah
Statement of Activities
Year Ended June 30, 2025

Functions/Programs	Program Revenue			Net Revenue (Expense) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
<i>Governmental activities</i>				
Instructional	\$ 18,642,502	\$ -	\$ 21,078,597	\$ 2,436,095
Support services				
Students	1,636,089	-	-	(1,636,089)
Staff assistance	680,679	-	-	(680,679)
General	22,747	-	-	(22,747)
School administration	2,354,963	-	-	(2,354,963)
Central services	1,722,457	-	-	(1,722,457)
Operation and maintenance of facilities	3,438,704	-	-	(3,438,704)
Transportation	26,600	-	-	(26,600)
School food services	1,417,126	452,938	701,368	(262,820)
Interest and other costs	5,053,702	-	-	(5,053,702)
Total governmental activities	<u>\$ 34,995,569</u>	<u>\$ 452,938</u>	<u>\$ 21,779,965</u>	<u>(12,762,666)</u>
General Revenue				
Grants and contributions not restricted to specific programs				
State aid				13,640,601
Local revenue				243,856
Interest earnings				<u>699,385</u>
Total general revenue				<u>14,583,842</u>
Change in Net Position				1,821,176
Net Position, Beginning of Year				<u>(2,008,403)</u>
Net Position, End of Year				<u>\$ (187,227)</u>

Ascent Academies of Utah
Balance Sheet – Governmental Funds
June 30, 2025

	<u>General</u>
Assets	
Cash and investments	\$ 10,762,760
Restricted cash and investments	6,868,747
State receivables	213,561
Federal receivables	1,007,460
Other receivables	11,263
Prepaid expenses	<u>96,442</u>
Total assets	<u><u>\$ 18,960,233</u></u>
Liabilities and Fund Balance	
Liabilities	
Accounts payable	\$ 194,909
Accrued liabilities	<u>2,284,252</u>
Total liabilities	<u>2,479,161</u>
Fund Balance	
Nonspendable	
Prepaid expenses	96,442
Restricted for	
Food service	673,991
School land trust	24,867
Educator professional time	205,955
College and career awareness	6,994
Debt service	6,868,747
Unassigned	<u>8,604,076</u>
Total fund balance	<u>16,481,072</u>
	<u><u>\$ 18,960,233</u></u>

Ascent Academies of Utah
Reconciliation for Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2025

Total Fund Balance - Governmental Funds		\$ 16,481,072
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The cost of capital assets (land, buildings, furniture and equipment, computers, capital improvements, right-to-use leased office space, and portable classrooms) purchased or constructed is reported as an expenditure in governmental funds. The statement of net position includes those capital assets among the assets of the School as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation and amortization expense) to the various programs reported as governmental activities in the statement of activities. Because depreciation and amortization expense does not affect financial resources, it is not reported in government funds.

Costs of capital assets	79,657,500	
Depreciation and amortization expense to date	<u>(10,345,777)</u>	
		69,311,723

Long-term liabilities applicable to governmental activities are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Balances at year end are:

Long-term liabilities		
Bonds and note payable and lease liability	(85,770,094)	
Accrued interest	<u>(209,928)</u>	
		<u>(85,980,022)</u>

Net Position		\$ <u><u>(187,227)</u></u>
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Ascent Academies of Utah

Statement of Revenue, Expenditures, and Changes in Fund Balance – Governmental Funds

Year Ended June 30, 2025

	<u>General</u>
Revenue	
State aid	\$ 33,175,992
Federal aid	2,196,318
Earnings on investments	699,385
School fees	37,261
School lunch sales	452,938
Other local sources	254,851
Total revenue	<u>36,816,745</u>
Expenditures	
Instructional	<u>18,642,502</u>
Support services	
Students	1,636,089
Staff assistance	680,679
General	22,747
School administration	2,354,963
Central services	1,722,457
Operation and maintenance of facilities	1,282,559
Transportation	26,600
Total support services	<u>7,726,094</u>
Non-instructional	
School food services program	1,417,126
Capital outlay	4,576,365
Total non-instructional	<u>5,993,491</u>
Debt service	
Principal	1,016,566
Interest and other costs	4,917,004
Total debt service	<u>5,933,570</u>
Total expenditures	<u>38,295,657</u>

Ascent Academies of Utah

Statement of Revenue, Expenditures, and Changes in Fund Balance – Governmental Funds

Year Ended June 30, 2025

	<u>General</u>
Deficiency of Revenue Under Expenditures	(1,478,912)
Other Financing Sources	
Proceeds from issuance of note payable	<u>200,000</u>
Net Change in Fund Balance	(1,278,912)
Fund Balance, Beginning of Year	<u>17,759,984</u>
Fund Balance, End of Year	<u><u>\$ 16,481,072</u></u>

Ascent Academies of Utah
Reconciliation of Governmental Funds Statement of Revenue, Expenditures,
and Changes in Fund Balance to the Statement of Activities
Year Ended June 30, 2025

Total Net Change in Fund Balance - Governmental Funds \$ (1,278,912)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlay is reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization expense during the fiscal year:

Capital outlay	4,576,365	
Depreciation and amortization expense	<u>(2,156,145)</u>	
		2,420,220

The issuance of long-term debt provides current financial resources to governmental funds. The governmental funds report repayment of long-term liability payments as expenditures and the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental activities when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of debt and related items is as follows:

Amortization of bond discount	(28,306)	
Change in accrued interest	(108,392)	
Issuance of note payable	(200,000)	
Repayment of bonds and note payables	915,000	
Payments on principal of lease liability	<u>101,566</u>	
		<u>679,868</u>

Change in Net Position of Governmental Activities	<u><u>\$ 1,821,176</u></u>
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Note 1 - Summary of Significant Accounting Policies

Ascent Academies of Utah (the School) was formed in 2013 and is a nonprofit institution, organized under the nonprofit corporation laws of the State of Utah. The School operates five campuses located in West Jordan, Lehi, Farmington, West Valley, and Saratoga Springs which service K-9. The School is a network of charter schools that provides its students with a rich and individualized academic program utilizing the successful Schoolwide Enrichment Model (SEM). The School's network of schools combines SEM's research-based strategies with curriculum and instructional methods aligned to the Utah Core Standards in order to provide students throughout the network with engaging learning opportunities. The School provides the following activities: education, encompassing instruction, student and staff support activities, and facilities maintenance and operation. Supporting services include general and administrative services which are overall entity-related administrative costs.

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the School are described below.

Financial Reporting Entity

The School follows GASB in determining the reporting entity and component units. The financial reporting entity consists solely of the primary government. Accordingly, the financial statements include all funds and agencies of the primary government whose budgets are controlled or whose boards are appointed by the School's Board of Directors (the Board).

The accounts of the School are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the School are classified as governmental funds. The fund classifications and a description of each existing fund type follow:

Governmental Funds

Governmental funds are used to account for the School's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt.

The general fund is considered a major fund. Governmental funds include:

General fund – the primary operating fund of the School accounts for all financial resources, except those required to be accounted for in other funds.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements (GWFS)

The statement of net position and the statement of activities display information about the reporting government as a whole.

The statement of net position and the statement of activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenue, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenue, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 *Accounting and Financial Reporting for Nonexchange Transactions* in the GWFS.

Program Revenue

Program revenue included in the statement of activities derive directly from the program itself or from parties outside the School's citizenry, as a whole; program revenue reduces the cost of the function to be financed from the School's general revenue. Program revenue includes charges to students or applicants who purchase, use, or directly benefit from the goods or services provided by the given function.

Fund Financial Statements

Governmental Funds

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recognized when susceptible to accrual defined as measurable and available. Measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers all revenue available if they are collected within 90 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. With this measurement focus, only current assets and current liabilities and deferred outflows and inflows of resources, as applicable, are generally included on the balance sheet. Operating statements of these funds present increases and decreases in fund balance.

The governmental funds use the following practices in recording revenue and expenditures:

Revenue

Entitlements and shared revenue (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available (generally collected within 90 days of year-end) when cash is received by the School and are recognized as revenue at that time. The School's period of availability is 90 days subsequent to year end.

Expenditures

Expenditures are generally recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures in governmental funds. The School has employees who do not work year-round but receive salary payments on a monthly basis; salaries earned, but unpaid, have been accrued as of June 30, 2025.

Restricted Cash and Investments

Cash and investments restricted for debt service is cash and investments set aside for bonds payable reserve requirements.

Investments

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

Receivables

All receivables are shown net of any allowance for uncollectible amounts. No allowances for uncollectible items have been recorded as of June 30, 2025.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Capital Assets

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated acquisition value at the date of donation. Estimated useful lives are management's estimate of how long the asset is expected to meet service demands. The School's capitalization threshold is \$5,000. The cost of normal maintenance and repairs not adding to the value of the asset or materially extending asset lives are not capitalized. Straight-line depreciation is used based on the following estimated useful lives:

Buildings	39 years
Furniture and equipment	7 years
Computers	5 years
Portable classrooms	20 years
Capital improvements	10 years

Right-to-use leased assets are recognized at the lease commencement date and represent the School's right to use an underlying asset for the lease term. Right-to-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right-to-use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period is five years.

Leases

The School is a lessee for a non-cancellable lease of office space. The School recognizes lease liabilities and intangible right-to-use lease assets (lease assets) in the GWFS. At the commencement of a lease, the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made.

Key estimates and judgments related to leases include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The School uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the School generally uses its estimated incremental borrowing rate as the discount rate for leases
- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the School is reasonably certain to exercise.

The School monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Long-Term Liabilities

For government-wide reporting, material premiums and discounts are deferred and amortized over the life of the debt using the straight-line method, which approximates the effective interest method. Debt is reported net of the applicable premium or discount. Issuance costs are expensed as incurred.

For fund financial reporting, premiums and discounts as well as issuance costs are recognized in the period the debt is issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Restricted Net Position

For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use is either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

It is the School's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Fund Balance of Fund Financial Statements

The governmental funds financial statements present a fund balance based on classifications that comprise a hierarchy that is based primarily on the extent to which the School is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The School has historically shown prepaids as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the general obligations and are restricted through debt covenants.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action by the Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.

Assigned: This classification includes amounts that are constrained by the Board's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or by the Board delegating this responsibility to the Lead Director or their designee through the budgetary process.

Unassigned: This classification includes the residual fund balance for the general fund and the amount established for minimum funding.

The School has a policy to use restricted fund balances first, followed by committed resources and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

Grants and Other Intergovernmental Revenue

Federal and state reimbursement-type grants are recorded as intergovernmental revenue when the related expenditures and expenses are incurred and, in the governmental funds, when the revenue meets the availability criterion.

Note 2 - Cash and Investments

At June 30, 2025, the School's cash and investments consisted of the following:

Cash			
Insured		\$ 500,000	
Uninsured and not collateralized		<u>7,408,632</u>	
Total balance of deposits		<u>\$ 7,908,632</u>	
	<u>Rating</u>	<u>Fair Value</u>	<u>Investment Maturities</u>
Investments			
PTIF	Unrated	<u>\$ 9,722,875</u>	Less than 1 year
Total cash and investments		<u>\$ 17,631,507</u>	

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act (the Act) that relate to the deposit and investment of public funds.

The School follows the requirements of the Act (Utah Code, Title 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of School funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

The Act defines the types of securities authorized as appropriate investments for the School's funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

Statutes authorize the School to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the state; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurers' Investment Fund.

The Utah State Treasurer's Office operates the Public Treasurers' Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Act (Utah Code, Title 51, Chapter 7). The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on a fair value basis. The income, gains, and losses of the PTIF, net of administration fees, are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

Fair Value of Investments

The School measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and
- Level 3: Unobservable inputs.

The investments consist only of PTIF funds which are classified as Level 2. The PTIF funds use the application of the June 30, 2025, fair value as calculated by the Utah State Treasurer to the School's average daily balance in the Fund. The School currently has no assets that qualify for Level 1 or 3 investments. The following table illustrates the investments by the appropriate levels for the School:

	Total	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
June 30, 2025				
PTIF	\$ 9,722,875	\$ -	\$ 9,722,875	\$ -

Custodial Credit Risk

For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of an outside party. The School's policy for managing custodial credit risk is to adhere to the Act. The Act requires all deposits of the School to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School's policy for reducing its exposure to credit risk is to comply with the Act, as previously discussed.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the School's investment in a single issuer. The School's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed-rate corporate obligations to 270 days - 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the state to five years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding three years.

Note 3 - Capital Assets

A summary of activity in the capital assets is as follows:

	June 30, 2024	Additions	Deletions	Transfers	June 30, 2025
Capital assets, not subject to depreciation					
Land	\$ 12,407,254	\$ -	\$ -	\$ -	\$ 12,407,254
Construction in progress	8,049,549	-	-	(8,049,549)	-
Total capital assets, not subject to depreciation	20,456,803	-	-	(8,049,549)	12,407,254
Capital assets being depreciated and amortized					
Buildings	52,174,022	3,986,807	-	8,049,549	64,210,378
Furniture and equipment	778,629	383,534	(6,383)	-	1,155,780
Computers	685,226	151,737	(5,368)	-	831,595
Portable classrooms	89,086	-	-	-	89,086
Capital improvements	492,813	54,287	-	-	547,100
Right-to-use leased office space	416,307	-	-	-	416,307
Total capital assets subject to depreciation and amortization	54,636,083	4,576,365	(11,751)	8,049,549	67,250,246
Less accumulated depreciation and amortization for					
Buildings	(7,138,429)	(1,620,702)	-	-	(8,759,131)
Furniture and equipment	(292,590)	(165,695)	6,383	-	(451,902)
Computers	(350,615)	(219,728)	5,368	-	(564,975)
Portable classrooms	(24,223)	(4,454)	-	-	(28,677)
Capital improvements	(117,986)	(53,053)	-	-	(171,039)
Right-to-use leased office space	(277,540)	(92,513)	-	-	(370,053)
Total accumulated depreciation and amortization	(8,201,383)	(2,156,145)	11,751	-	(10,345,777)
Total capital assets, subject to depreciation and amortization	46,434,700	2,420,220	-	-	56,904,469
Total capital assets, net	\$66,891,503	\$ 2,420,220	\$ -	\$ -	\$69,311,723

Depreciation and amortization expense was charged to operation and maintenance of facilities function of the School.

Note 4 - Leases

In 2020, the School entered into an agreement to lease office space for 60 months. An initial lease liability was recorded in the amount of \$416,307. As of June 30, 2025, the value of the lease liability was \$53,322. Under the terms of the lease the School pays a monthly base fee of \$8,000, increasing 3.0% annually on the anniversary of the agreement. The right-to-use asset is being amortized over a period of 5 years. The value of the right-to-use asset as of June 30, 2025, was \$416,307 and had accumulated amortization of \$370,053. The School used a discount rate of 4.50% based on an estimated incremental borrowing rate.

Remaining obligations associated with this lease are as follows:

Years Ending June 30,	Principal	Interest	Total
2026	\$ 53,322	\$ 702	\$ 54,024

Note 5 - Long-Term Liabilities

A summary of activity for the long-term liabilities is as follows:

	Balance at June 30, 2024	Additions	Retirements	Balance at June 30, 2025	Due Within One Year
Note payable	\$ -	\$ 200,000	\$ -	\$ 200,000	\$ 36,837
Lease liability	154,888	-	(101,566)	53,322	53,322
Bonds payable	87,190,000	-	(915,000)	86,275,000	670,000
Bond discount	(786,534)	-	28,306	(758,228)	-
	<u>\$ 86,558,354</u>	<u>\$ 200,000</u>	<u>\$ (988,260)</u>	<u>\$ 85,770,094</u>	<u>\$ 760,159</u>

Long-term liabilities as of June 30, 2025, consist of the following:

Series 2022 Revenue and Refinancing Bonds, which are qualified academy bonds and have rates between 4.25% - 5.00%. The bonds were issued during fiscal year 2022 for \$50,135,000. Variable monthly principal and interest payments are required through June 2057. The bonds were sold at a discount, which is being amortized using the straight-line method over the life of the bonds. The School is required to meet certain covenants including debt coverage and restricted cash on hand. The proceeds were used to refinance various notes payable and purchase a school building.

\$ 48,795,000

Ascent Academies of Utah

Notes to Financial Statements

June 30, 2025

Series 2024 Revenue and Refinancing Bonds, which are qualified academy bonds and have a rate of 6.75%. The bonds were issued during fiscal year 2024 for \$37,750,000. Variable monthly principal and interest payments are required through June 2059. The bonds were sold at a discount, which is being amortized using the straight-line method over the life of the bonds. The School is required to meet certain covenants including debt coverage and restricted cash on hand. The proceeds were used to refinance various notes payable and purchase a school building.

37,480,000

Promissory note issued by the Utah State Board of Education that had an original issue amount of \$200,000. The note bears interest at 2.68%. The note requires monthly payments of principal and interest of \$4,503 through September 2029. The proceeds were used for general operations.

200,000

Lease liability - See Note 4

53,322

86,528,322

Bond discount, net

(758,228)

\$ 85,770,094

The annual requirements to pay principal and interest on the outstanding note and bonds payable is as follows:

Years Ending June 30,	Principal	Interest	Total
2026	\$ 706,837	\$ 4,961,446	\$ 5,668,283
2027	750,280	4,931,644	5,681,924
2028	781,645	4,900,400	5,682,045
2029	818,046	4,866,083	5,684,129
2030	1,228,192	4,830,627	6,058,819
2031-2035	7,125,000	23,101,436	30,226,436
2036-2040	9,360,000	20,864,275	30,224,275
2041-2045	12,335,000	17,886,721	30,221,721
2046-2050	16,280,000	13,934,385	30,214,385
2051-2055	21,525,000	8,683,404	30,208,404
2056-2059	15,565,000	2,182,050	17,747,050
Total	<u>\$ 86,475,000</u>	<u>\$ 111,142,471</u>	<u>\$ 197,617,471</u>

Note 6 - Concentrations

The School's principal source of support is state and federal-based support revenue. For the year ended June 30, 2025, these funding sources accounted for approximately 96% of all revenue.

Note 7 - Benefit Plan

The School has a defined contribution retirement plan covering all full-time, salaried employees. The plan is administered by Helpside, an outsourcing company that the School has contracted with to perform its payroll and retirement functions. Eligible employees may contribute into an account at their option and discretion. The School matches employee contributions up to 3% of eligible contributions. The School provided matching contributions of \$262,873 during the year ended June 30, 2025.

Note 8 - Subsequent Event

Effective October 16, 2025 the School entered into a new lease agreement to lease office space for 60 months. Under the terms of the lease, the School pays a monthly base fee of \$6,149, increasing 3.0% annually on the anniversary of the agreement.

Required Supplementary Information
June 30, 2025

Ascent Academies of Utah

Ascent Academies of Utah

Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenue				
State aid	\$ 33,378,080	\$ 33,217,526	\$ 33,175,992	\$ (41,534)
Federal aid	1,677,986	2,143,322	2,196,318	52,996
Earnings on investments	262,774	675,000	699,385	24,385
School fees	-	37,081	37,261	180
School lunch sales	385,000	452,860	452,938	78
Other local sources	113,782	254,808	254,851	43
Total revenue	35,817,622	36,780,597	36,816,745	36,148
Expenditures				
Instructional	20,937,428	19,578,819	18,642,502	936,317
Support services				
Students	1,776,079	1,649,801	1,636,089	13,712
Staff assistance	617,969	816,508	680,679	135,829
General	-	33,468	22,747	10,721
School administration	2,147,865	2,420,478	2,354,963	65,515
Central services	1,348,395	1,979,669	1,722,457	257,212
Operation and maintenance of facilities	1,254,000	1,326,803	1,282,559	44,244
Facilities acquisition and construction	176,000	3,986,806	-	3,986,806
Transportation	15,000	29,000	26,600	2,400
Total support services	7,335,308	12,242,533	7,726,094	4,516,439
Non-instructional				
School food services program	1,525,000	1,581,290	1,417,126	164,164
Capital outlay	-	-	4,576,365	(4,576,365)
Total non-instructional	1,525,000	1,581,290	5,993,491	(4,412,201)
Debt service				
Principal	645,000	915,000	1,016,566	(101,566)
Interest	4,418,763	4,909,953	4,917,004	(7,051)
Total debt service	5,063,763	5,824,953	5,933,570	(108,617)
Total expenditures	34,861,499	39,227,595	38,295,657	931,938

Ascent Academies of Utah

Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Excess (Deficiency) of Revenue Over (Under) Expenditures	956,123	(2,446,998)	(1,478,912)	968,086
Other Financing Sources				
Proceeds from issuance of note payable	200,000	200,000	200,000	-
Budget from surplus	-	2,246,998	-	(2,246,998)
Net Change in Fund Balance	<u>\$ 1,156,123</u>	<u>\$ -</u>	<u>\$ (1,278,912)</u>	<u>\$ (1,278,912)</u>

Note 1 - Basis of Budgeting

The School follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The School's Lead Director is appointed as the budget officer. Before June 1 of each year, the budget officer shall prepare a tentative budget, with supporting documentation, to be submitted to the Board.
2. The tentative budget and supporting documents shall include the following items:
 - a. The revenue and expenditures of the preceding fiscal year,
 - b. The estimated revenue and expenditures of the current fiscal year,
 - c. A detailed estimate of the essential expenditures for all the purposes for the next succeeding fiscal year, and
 - d. The estimated financial condition of the School at the close of the fiscal year.
3. The tentative budget shall be filed with the School's Lead Director for public inspection at least 15 days before the date of the tentative budget's proposed adoption by the Board.
4. Before June 30 of each year, the Board will adopt a budget for the next fiscal year.
5. By the sooner of July 15 or 30 days of adopting a budget, the Board will file a copy of the adopted budget with the state auditor and the State Board of Education.

Supplementary Information
June 30, 2025

Ascent Academies of Utah



**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

The Board of Directors
Ascent Academies of Utah
West Jordan, Utah

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and the major fund of Ascent Academies of Utah (the School), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated November 25, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Ogden, Utah
November 25, 2025



**Independent Auditor's Report on Compliance and Report on Internal Control over Compliance
as Required by the *State Compliance Audit Guide***

The Board of Directors
Ascent Academies of Utah
West Jordan, Utah

Report on Compliance

We have audited Ascent Academies of Utah's (the School) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended June 30, 2025.

State compliance requirements were tested for the year ended June 30, 2025, in the following areas:

Budgetary Compliance
Fraud Risk Assessment
Cash Management
Crime Insurance for Public Treasurers
Internal Control Systems
Public Education Programs

Opinion on Compliance

In our opinion, the School complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the *State Compliance Audit Guide* (Guide), issued by the Office of the Utah State Auditor. Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the School's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the state requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School's government programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Guide and which is described in the accompanying schedule of findings and recommendations as item 2025-A. Our opinion on compliance is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the School's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and recommendations. The School's response was not subjected to the other auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or to detect and correct noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose. However, pursuant to *Utah Code* Title 63G, Chapter 2, this report is a matter of public record, and as such, its distribution is not limited.

A handwritten signature in black ink that reads "Eric Sallie LLP". The signature is written in a cursive, flowing style.

Ogden, Utah
November 25, 2025

2025-A Crime Insurance for Public Treasurers

Criteria: The Crime Insurance for Public Treasurers guidelines require the governing body to have a certain amount of crime insurance coverage based on the budgeted gross revenue for the previous fiscal year.

Condition: The School's crime insurance coverage did not meet the minimum insurance threshold as required.

Cause: The School's crime insurance coverage did not meet the minimum insurance threshold as required.

Effect: The School failed to comply with the guidelines of the Crime Insurance for Public Treasurers.

Recommendation: We recommend that the School increase their current crime insurance coverage to be in compliance with the minimum insurance coverage required.

Management Response: Management agrees with this finding and plans to increase their current crime insurance coverage to be in compliance with the minimum insurance coverage required.

Ascent Academies of Utah 2026-2027 Fee Schedule

FEES FOR OPTIONAL ACTIVITIES, PROGRAMS, AND SPORTS (for participating students in grades identified below)		
Fee Description	Expenditures Funded by Fee (Spend Plan)	Total Fee
Basketball (grades 6-9)	Referee fees, supplies, and fees for school to participate in Utah Charter & Small Schools Athletic League	\$75
Volleyball (grades 6-9)	Referee fees, supplies, and fees for school to participate in Utah Charter & Small Schools Athletic League	\$50
Soccer (grades 6-9)	Referee fees, supplies, and fees for school to participate in Utah Charter & Small Schools Athletic League	\$50
Archery (grades 4-9)	Costs to participate at local and state competitions, supplies, and stipend for coach	\$50
Mountain Biking (grades 7-9)	Costs to participate at local and state competitions, supplies, and stipend for coach	\$50
Cross Country (grades 6-9)	Referee fees, supplies, and fees for school to participate in Utah Charter & Small Schools Athletic League	\$25
Ultimate Frisbee (grades 6-9)	Referee fees, supplies, and fees for school to participate in Utah Charter & Small Schools Athletic League	\$25
School Play/Musical (grades K-9) (up to three per year)	Costs for rights to perform the play/musical, props, supplies, and costumes	\$75 per play
End-of-Year Trip (grade 9)	Travel costs (air and ground transportation as well as cruise ship fees, as applicable), hotel accommodations, supplies, and costs for day activities (such as amusement parks, etc.)	\$900
Esports (grades 7-9)	Costs to participate at local and state competitions, stipend for coach, supplies, and equipment	\$60
Cheer (grades 7-9)	Costs to cover materials and advisors	\$60
After school clubs (grades K-9)	Costs to cover materials and club advisors	\$30 per club

Per Utah Administrative Code Rule R277-407-6, Ascent Academies of Utah is required to publish the per student annual maximum fee amounts described below:

Per Student (Grade 9) Annual Maximum Fee Amount For School Year: \$1,375

This amount reflects the total student fees any student in grade 9 would be required to pay if the student participated in all activities, programs, and sports provided, sponsored, or supported by the School for students in grade 9 for the year.

Per Student (Grades 6-8) Annual Maximum Fee Amount For School Year: \$475

This amount reflects the total student fees any student in grades 6-8 would be required to pay if the student participated in all activities, programs, and sports provided, sponsored, or supported by the School for students in grades 6-8 for the year.

Per Student (Grades K-5) Annual Maximum Fee Amount For School Year: \$225

This amount reflects the total student fees any student in grades K-5 would be required to pay if the student participated in all activities, programs, and sports provided, sponsored, or supported by the School for students in grades K-5 for the year.

Notice to Parents: Your student may be eligible to have one or more of their fees waived. For information on fees and fee waivers, please contact an administrator at the School and/or review the school fee materials posted on the School's [website](#) (School Fees Posters and Notices, Fee Waiver Policy, Fee Waiver Applications, Fee Waiver Decision and Appeal Form, etc.). If you file a fee waiver request with the School and the request is denied, you may appeal the School's decision.

Ascent Academies of Utah

Board of Directors Meeting

Date: September 24, 2025

Anchor Location: <https://us02web.zoom.us/j/9078319259>

Board Members Present: Jim Horton, Tyler Schvaneveldt, Chris Bleak

Excused Members: Stuart Adams, Mike Greenhalgh

Others Present: Wade Glathar, Brandon Fairbanks, Sheldon Killpack, Hannah Dorius, Erin Winterton, Platte Nielson, Priscilla Stringfellow, Joe Dunlap, Suzanne Owens



MINUTES

CALL TO ORDER

Jim Horton called the board meeting to order at 9:07AM.

PUBLIC COMMENT

There was no public comment.

CONSENT ITEMS

- June 16, 2025 Board Meeting Minutes
Tyler Schvaneveldt made a motion to approve the June 16, 2025 Board Meeting and Closed Session Minutes; Jim Horton seconded. Motion passed unanimously. Votes were as follows: Tyler Schvaneveldt, Aye; Jim Horton, Aye; Chris Bleak, Aye.

REPORTS

- Director's Report
Wade Glathar presented the Director's Report to the board. Total enrollment has increased 4% the last years. The budget is set at 2860 students and there are currently 2945 students. Wade Glathar reported on the Early Learning Plan for the 25/26 school year and 24/25 school year. The 2025/2026 plan has been previously approved by the State.
- Finance Report
Erin Winterton presented the Finance Report. The 2024/2025 school year audit is currently underway. The audit is going well and should be wrapped up in the next few weeks. The Statement of Activities was reviewed in detail. Ascent Academies is set up for a great year financially.

VOTING AND DISCUSSION ITEMS

- 401k plan
Erin Winterton presented the 401k plan to the board. This will change the plan from a traditional plan to safe harbor plan. Safe harbor is fair for all employees and more attractive to staff. Ascent Academies currently has a 3% match and it will be increased to a 4% match.

Jim Horton made a motion to approve the 401k plan changes; Tyler Schvaneveldt seconded. Motion passed unanimously. Votes were as follows: Tyler Schvaneveldt, Aye; Jim Horton, Aye; Chris Bleak, Aye.

- Ratify Benchmark Purchase
Benchmark is an English language reading program. The additional purchase is needed to account for expansion of classes in the Saratoga Springs campus and replenishing old materials.

Tyler Schvaneveldt made a motion to ratify the Benchmark Purchase; Jim Horton seconded. Motion passed unanimously. Votes were as follows: Tyler Schvaneveldt, Aye; Jim Horton, Aye; Chris Bleak, Aye.

- Ratify N&B Painting Purchase
Wade Glathar informed the board of painting services provided by N&B Painting. They refreshed the paint in several campuses over the summer.

Tyler Schvaneveldt made a motion to ratify N&B Painting Purchase; Jim Horton seconded. Motion passed unanimously. Votes were as follows: Tyler Schvaneveldt, Aye; Jim Horton, Aye; Chris Bleak, Aye.

- Property and Liability Insurance
Erin Winterton presented the Property and Liability Insurance. Costs went up 7.5% from the previous year. Inflation and claims in the industry have increased the cost.

Jim Horton made a motion to approve the Property and Liability Insurance; Tyler Schvaneveldt seconded. Motion passed unanimously. Votes were as follows: Tyler Schvaneveldt, Aye; Jim Horton, Aye; Chris Bleak, Aye.

- LEA Licenses
Wade presented the need for 15 LEA Licenses to be approved. Ascent Academies, as an LEA, can authorize an LEA license for teachers while they are on track to getting their state license. The educators up for approval need temporary licensing in a their specific field.

Tyler Schvaneveldt made a motion to approve the LEA Licenses as presented; Jim Horton seconded. Motion passed unanimously. Votes were as follows: Tyler Schvaneveldt, Aye; Jim Horton, Aye; Chris Bleak, Aye.

- Policies:
 - Toilet Training Policy
Platte Nielson presented the Toilet Training Policy. The policy adds some clarification to the requirement of toilet training before registration in Ascent Academies.

- Electronic Resources Policy
Platte Nielson presented on the Electronic Resources Policy. A few items were added to account for students that are having emergencies and health issues. Cell phone usage is now allowed in those cases in the policy.
- Child Abuse & Neglect Policy
Platte Nielson presented the Child Abuse & Neglect Policy. A line item was added to include administration on the list of persons notified in a case of a staff member being involved in a case of child abuse. If the person is an employee of the school and they engage in child abuse, DCFS, law enforcement, and administration need to be notified. A clarification was made under number 7 of the administrative procedures.

Jim Horton made a motion to approve the Toilet Training Policy, Electronic Resources Policy, and Child Abuse & Neglect Policy; Tyler Schvaneveldt seconded. Motion passed unanimously. Votes were as follows: Tyler Schvaneveldt, Aye; Jim Horton, Aye; Chris Bleak, Aye.

CLOSED SESSION- to discuss the character, professional competence, or physical or mental health of an individual pursuant to Utah Code 52-4-205-(1)(a).

At 9:30AM Chris Bleak made a motion to enter into a closed session to discuss the character, professional competence, or physical or mental health of an individual pursuant to Utah Code 52-4-205-(1)(a), via teleconference. Tyler Schvaneveldt seconded. Votes were as follows: Chris Bleak, Aye; Tyler Schvaneveldt, Aye; Jim Horton, Aye. Motion passed.

At 9:41AM Jim Horton made a motion to move out of closed session. Tyler Schvaneveldt seconded. Votes were as follows: Chris Bleak, Aye; Tyler Schvaneveldt, Aye; Jim Horton, Aye. Motion passed.

ADJOURN

At 9:42AM, Tyler Schvaneveldt made a motion to adjourn. Jim Horton seconded. The motion passed unanimously.

**Ascent Academies of Utah
Board of Directors
Closed Session Statement**



Meeting Date: September 24, 2025

Location: via teleconference

Ascent Academies of Utah's network of schools utilizes the Schoolwide Enrichment Model to build a strong educational foundation and to provide an enriching, individualized and varied educational experience to all students.

CLOSED SESSION SWORN STATEMENT:

At a duly noticed public meeting held on the date listed above, the board of directors for Ascent Academies of Utah entered into a closed session for the sole purpose of discussing the purchase, exchange, or lease of real property pursuant to Utah Code 52-4-205(1)(d).

I declare under criminal penalty under the law of Utah that the foregoing is true and correct.

Signed on the 24th day of September, 2025.

A handwritten signature in black ink, appearing to read "Chris Bleak", written over a horizontal line.

Chris Bleak, Board President

OK

Director's Report December 2025

Enrollment

Enrollment has now opened for next school year, but our first lottery draw will not be until January. We have had over 400 new applications come in over the past month and we are averaging 15-20 new applications each day. Current families have been asked to declare their plans for next year by Dec 15.

Accreditation

Representatives from Cognia will be visiting Ascent March 31, April 1, & April 2 to renew our 5-year accreditation. They will visit 3 campuses. They will observe instruction and tour the facilities as well as interview employees, parents, and students. They also want to hold a Q &A with the Board (via Zoom).

School Fees

We are proposing the same School Fees Schedule for next year as this year, with three minor increases: \$15 increase to after school clubs, \$25 increase to participate in the school play, \$150 increase for the 9th grade trip. This year the 9th grade trip is 5 days in St. George and is \$525/student.

Approval of Purchases

The following are needed for the 2025-2026 school year and due to the dollar amount, need Board approval:

- 1). West Jordan Playground (PlayPower) – West Jordan has been working toward an additional playground for a few years now and have let parents know that their fundraising the last few years was toward an additional playground. While the fundraising hasn't brought in enough to cover all the costs, we have enough in savings to make up the difference and provide this additional playground. The equipment bid is \$92,275 and estimates for excavation and prep are \$75,000, making the entire project in the area of \$165,000. The work will be done in the spring or summer.
- 2). West Jordan park strip (Lawn Butler) – West Jordan City is requiring the school to landscape the park strip along 5600 West. They have certain guidelines for acceptable landscaping. We will go with a combination of trees/shrubs with rock. They will do the work in the spring & the bid is \$37,047.
- 3). Ascent Central Office lease (Capstone) – Our 5-year lease is up on Dec 31. I am asking the Board to approve a new lease. The 5-year lease can be ended early, after the first year. The new lease is slightly cheaper than our current lease, because we will be leasing fewer square feet.

LEA Specific Licenses

USBE provides a licensure option for teachers called LEA Specific License. This license means that the LEA (Ascent Academies) has reviewed teacher situations and has deemed the candidate eligible for a license in their LEA. These situations most often occur when a teacher is waiting for USBE to process paperwork, when a teacher is in school and finishing up their teaching degree, and when a teacher is licensed by teaching one elective class for which they do not have a license. Since the Board last approved LEA Specific Licenses, we have hired 3 new individuals who need this approval so they can be licensed while they work on completing their programs. Full details about the teachers, the classes, and the reasons for this license are included in the spreadsheet in the Board packet.

Ascent Academies of Utah
Statement of Financial Position
Created on December 11, 2025
For Prior Month

	07/01/2025 Through 11/30/2025 <u>Actual</u>	Year Ending 06/30/2025 <u>Actual</u>
Assets & Other Debits		
Current Assets		
Operating Cash	13,371,089	10,762,764
Accounts Receivables	4,219	1,232,283
Other Current Assets	9,011	96,442
Total Current Assets	<u>13,384,319</u>	<u>12,091,489</u>
Restricted Cash	<u>9,232,341</u>	<u>6,868,744</u>
Net Assets		
Fixed Assets	79,657,499	79,657,499
Depreciation	(10,345,775)	(10,345,776)
Total Net Assets	<u>69,311,724</u>	<u>69,311,724</u>
Total Assets & Other Debits	<u>91,928,384</u>	<u>88,271,957</u>
Liabilities & Fund Equity		
Current Liabilities	132,816	2,689,091
Long-Term Liabilities	<u>85,770,094</u>	<u>85,770,094</u>
Fund Balance	(187,229)	(2,008,404)
Net Income	<u>6,212,703</u>	<u>1,821,176</u>
Total Liabilities & Fund Equity	<u>91,928,384</u>	<u>88,271,957</u>

Ascent Academies of Utah

Statement of Activities

Created on December 11, 2025
For Prior Month

	Annual June 30, 2026 Budget	Year-to-Date November 30, 2025 Actual	% of Budget
Net Income			
Income			
Revenue From Local Sources	1,208,264	627,742	52.0 %
Revenue From State Sources	35,731,592	15,784,448	44.2 %
Revenue From Federal Sources	1,693,698	123,953	7.3 %
Total Income	38,633,554	16,536,143	42.8 %
Expenses			
Instruction/Salaries	17,293,253	5,397,897	31.2 %
Employee Benefits	5,321,221	1,607,137	30.2 %
Purchased Prof & Tech Serv	2,831,611	1,156,083	40.8 %
Purchased Property Services	1,171,997	506,096	43.2 %
Other Purchased Services	1,822,471	686,474	37.7 %
Supplies & Materials	1,628,916	986,650	60.6 %
Property	716,400	129,837	18.1 %
Debt Services & Miscellaneous	5,697,685	59,833	1.1 %
Total Expenses	36,483,554	10,530,007	28.9 %
Total Net Income	2,150,000	6,006,136	279.4 %



Proposal #49660

Date: 10/6/2025

Customer:

Kirk Blake
Academica West
290 North Flint Street
Kaysville, UT 84037

Property:

Ascent Academy (West Jordan)
5662 8200 S
West Jordan, UT 84088

E Strip Landscaping

Landscape Enhancement

E Strip Landscaping

Items	Quantity	Unit
2"-4" River Rock	75.00	Yds
Weed Mat (1500 sqft roll)	5.00	Ea
Shrub 5gal	40.00	5 Gal
Labor - Enhancement		
Misc Equipment Usage	2.00	Ea

E Strip Landscaping: \$29,442.60

Irrigation Enhancement

Items	Quantity	Unit
Labor - Irrigation		
Misc. Irrigation Materials	1.00	Ea.

Irrigation Enhancement: \$7,604.17

PROJECT TOTAL: \$37,046.77

Sales Tax \$0.00

Total \$37,046.77

Terms & Conditions

This bid is valid for 30 days from above stated date. After 30 days, please contact your account manager for updated pricing. A finance charge of 5% per month (60% A.P.R.) will be charged to all amounts not received within 30 days of the billing date. Any collection costs and attorney’s fees accrued in connection to any past due amount will be applied to the amount due. All estimate/bids are only estimates and total may change.

By _____
Isaac Doman
Date 10/6/2025

Lawn Butler Holdings, LLC.

By _____
Date _____
Ascent Academy (West Jordan)

Ascent Academies of Utah

School Year 2026-2027

www.ascentutah.org

AUGUST 2026							SEPTEMBER 2026							OCTOBER 2026							YEAR AT A GLANCE		
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S			
						1			1	2	3	4	5					1	2	3	Aug 12-17	No Students	Teacher Professional Development
2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10	August 17	Optional	Back-To-School Night
9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17	August 19	School Starts	First Day of School Grades 1-9
16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24	Aug 19-25	Testing	Kindergarten Assessments
23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31	August 26	School Starts	First Day of Kindergarten
30	31																				September 7	No School	Labor Day
NOVEMBER 2026							DECEMBER 2026							JANUARY 2027							September 28	No Students	Teacher Professional Development
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	Oct 14-16	Early Out	Student-Led Parent Conferences
1	2	3	4	5	6	7			1	2	3	4	5						1	2	Oct 19-23	No School	Fall Break
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	Nov 25	No School	Teacher Comp Day
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	Nov 26-27	No School	Thanksgiving Recess
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	Dec 21 - Jan 1	No School	Winter Recess
29	30						27	28	29	30	31			24	25	26	27	28	29	30	January 18	No School	Martin Luther King Jr. Day
														31							January 19	No Students	Teacher Professional Development
FEBRUARY 2027							MARCH 2027							APRIL 2027							February 15	No School	Presidents' Day
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	February 16	No Students	Teacher Professional Development
	1	2	3	4	5	6		1	2	3	4	5	6					1	2	3	March 10-12	Early Out	Student-Led Parent Conferences
7	8	9	10	11	12	13	7	8	9	10	11	12	13	4	5	6	7	8	9	10	March 29	No School	Teacher Comp Day
14	15	16	17	18	19	20	14	15	16	17	18	19	20	11	12	13	14	15	16	17	March 30 - April 2	No School	Spring Break
21	22	23	24	25	26	27	21	22	23	24	25	26	27	18	19	20	21	22	23	24	May 28	School Ends	Last Day of School
28							28	29	30	31				25	26	27	28	29	30		May 31	No School	Memorial Day
																					June 1	No Students	Teacher Professional Development
MAY 2027							JUNE 2027							JULY 2027							Aug 12- Oct 30	Term 1	46 days
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	Nov 2 - Jan 15	Term 2	42 days
						1			1	2	3	4	5					1	2	3	Jan 20 - March 26	Term 3	46 days
2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10	April 5 - May 28	Term 4	40 days
9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17	Daily School Schedule		
16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24	AM Kindergarten: 8:25AM-11:15PM		
23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31	PM Kindergarten 12:15PM-3:05PM		
30	31																				Grades 1-9 & full-day Kindergarten: 8:25am-3:05pm		
																					Early Release Days: 8:25am-12:35pm		

Board approved: Dec 15, 2025



December 15, 2025

Dear Superintendent,

The Ascent Academies of Utah Board approved LEA-Specific educator license(s) to three individual(s) in a public meeting held on December 15, 2025. The license areas, and endorsements shall be valid for three (3) academic years as indicated on the attached spreadsheet which contains the associated educator information and rationale for the request. All LEA-Specific licenses will expire on June 30th of the final academic year approved.

Ascent Academies of Utah Board's following assurances:

- The LEA has adopted a policy, in accordance with R277-301-7, to prepare and support educators with an LEA-Specific license. This policy is posted online at https://files.gabbart.com/1683/board_policy_manual_08242022_-_aau.pdf
- The educator has completed a criminal background check in accordance with Rule R277-214 and continued monitoring in accordance with Subsection 53G-11-403(1).
- The LEA will provide requisite training (educator ethics, classroom management/instruction, special education law/instruction, & Utah Effective Teaching Standards) within the 1st year of employment.
- The educators will complete the USBE Ethics Review within one (1) calendar year prior to being issued the license.
- The LEA will post all educator data, including assignments, in CACTUS no later (60) days following the date of the public governing board meeting approving the license area(s) and/or endorsement(s).
- Each LEA school employing an individual with an LEA-Specific license will prominently post the following on the school's website:
 - Disclosure that the school employs individuals holding an LEA-Specific educator license, license areas, and/or endorsements.
 - An explanation of the types of educator licenses issued by USBE (Professional, Associate, LEA-Specific):

“The following **designations or levels** apply to educator licenses, license areas (i.e.-elementary, secondary, special education), and content endorsements (i.e.-mathematics, music, Spanish, social studies):

♣ **Professional:** The educator has completed an educator preparation program that includes content and pedagogical knowledge. This program may have been completed at a university or in an alternate pathway that was supported by school districts/charters and the Utah State Board of Education.

♣ **Associate:** The educator is currently completing an educator preparation program, but has not yet completed all requirements for a Professional Educator License, license area, or endorsement. The educator is enrolled in a university-based or Local Education Agency (LEA)-based program. When the educator completes the program, they will have a professional level.

♣ **LEA-Specific:** The educator has not completed an educator preparation and is not currently enrolled in one.”

○ Percentage (based on FTE) of types of licenses, license areas, and endorsements held by educators employed in the school.

○ A link to the [Utah Educator Look-up Tool](#).

The **Ascent Academies of Utah’s Board** additionally acknowledges that LEA-Specific educator licenses, license areas, or endorsements may be renewed by the Utah State Board of Education (USBE). These renewals will be approved or denied on a case-by-case basis.

Sincerely,

Chris Bleak
LEA Governing Body Chairperson

Lease

SORENSEN RESEARCH PARK 10

Between

ASCENT ACADEMIES OF UTAH

(Tenant)

And

SPARK10, LLC

(Landlord)

LEASE

THIS LEASE (the "Lease") is made as of October 16, 2025 between SPARK10, LLC, a Utah limited liability company ("Landlord"), and the tenant as named in the Schedule below. The term "Project" means the building (the "Building") known as "Sorenson Research Park 10" and the land (the "Land") located at 4179 Riverboat Road, Taylorsville, Utah. "Premises" means that part of the Project leased to Tenant described in the Schedule and outlined on Appendix A.

The following schedule (the "Schedule") is an integral part of this Lease. Terms defined in this Schedule shall have the same meaning throughout this Lease.

SCHEDULE

1. **Tenant:** Ascent Academies of Utah
2. **Premises:** Suite 100, located within the Building, shown on the attached Appendix A.
3. **Rentable Square of the Premises:** Approximately 3,208 rentable square feet.
4. **Tenant's Proportionate Share:** 8.0797% (based upon 95% of 41,794 rentable square feet in the Building).
5. **Security Deposit:** \$7,000.00
6. **Tenant's Real Estate Broker for this Lease:** Tenant represents itself
7. **Landlord's Real Estate Broker for this Lease:** Kent Gibson / Capstone Property Management, LC.
8. **Tenant Improvements, if any:** See the Tenant Improvement Agreement attached hereto as Appendix C.
9. **Commencement Date:** January 1, 2026, but if the Premises are subject to new construction pursuant to Appendix C, the Completion Date, as defined therein, if it is later; Landlord and Tenant shall execute a Commencement Date Conformation substantially in the form of Appendix E promptly following the Commencement Date.
10. **Termination Date/Term:** December 31, 2030, Five (5) years after the Commencement Date, or if the Commencement Date is not the first day of the month, then after the first day of the following month. Tenant has the right to terminate this lease after January 1, 2027 by providing nine (9) months written notice prior to the date for lease termination.
11. **Guarantor:** None
12. **Base Year:** 2026
13. **Base Rent:**

<u>Period</u>		<u>Monthly Base Rent</u>
January 1, 2026	- December 31, 2026	\$ 6,148.67
January 1, 2027	- December 31, 2027	\$ 6,333.13
January 1, 2028	- December 31, 2028	\$ 6,523.12
January 1, 2029	- December 31, 2029	\$ 6,718.81
January 1, 2030	- December 31, 2030	\$ 6,920.38

1. LEASE AGREEMENT; EXTENSION OPTION; RIGHT OF FIRST OFFER.

A. Lease Agreement. On the terms stated in this Lease, Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, for the Term beginning on the Commencement Date and ending on the Termination Date unless extended or sooner terminated pursuant to this Lease.

2. RENT.

A. Types of Rent. Tenant shall pay the following Rent in the form of a check to Landlord at the following address:

Spark10, LLC
c/o Capstone Property Management, LC
4422 Century Drive
Murray, UT 84123

or in such other manner as Landlord may notify Tenant:

(1) Base Rent in monthly installments in advance, the first monthly installment payable concurrently with the execution of this Lease and thereafter on or before the first day of each month of the Term in the amount set forth on the Schedule.

(2) Operating Cost Share Rent in an amount equal to the Tenant's Proportionate share of the excess of Operating Costs for the applicable Fiscal Year of this Lease (the "Excess Operating Costs") over the Operating Costs for the Base Year (the "Base Operating Costs"), paid monthly in advance in an estimated amount. A definition of Operating Costs and the method for billing and payment of Operating Cost Share Rent are set forth in Sections 2B, 2C and 2D.

(3) Tax Share Rent in an amount equal to the Tenant's Proportionate Share of the excess of Taxes for the applicable Fiscal Year of this Lease (the "Excess Taxes") over the Taxes for the Base Year (the "Base Taxes"), paid monthly in advance in an estimated amount. A definition of Taxes and the method for billing and payment of Tax Share Rent are set forth in Sections 2B, 2C and 2D.

(4) Additional Rent in the amount of all costs, expenses, liabilities, and amounts which Tenant is required to pay under this Lease, excluding Base Rent, Operating Cost Share Rent, and Tax Share Rent, but including any interest for late payment of any item of Rent.

(5) Rent as used in this Lease means Base Rent, Operating Cost Share Rent, Tax Share Rent and Additional Rent. Tenant's agreement to pay Rent is an independent covenant, with no right of setoff, deduction or counterclaim of any kind.

B. Payment of Operating Cost Share Rent and Tax Share Rent.

(1) Payment of Estimated Operating Cost Share Rent and Tax Share Rent. Landlord shall estimate the Operating Costs and Taxes of the Project by April 1 of each Fiscal Year, or as soon as reasonably possibly thereafter. Landlord may revise these estimates whenever it obtains more accurate information, such as the final real estate tax assessment or tax rate for the Project.

Within ten (10) days after receiving the original or revised estimate from Landlord setting forth (a) an estimate of Operating Costs for a particular Fiscal Year, (b) the Base Operating Costs, and (c) the resulting estimate of Excess Operating Costs for such Fiscal Year, Tenant shall pay Landlord one-twelfth (1/12th) of Tenant's Proportionate Share of the estimated Excess Operating costs, multiplied by the number of months that have elapsed in the applicable Fiscal Year to the date of such payment including the current month, minus payments previously made by Tenant for the months elapsed. On the first day of each month thereafter, Tenant shall pay Landlord one-twelfth (1/12th) of Tenant's Proportionate Share of this estimate, until a new estimate becomes applicable.

Within ten (10) days after receiving the original or revise estimate from Landlord setting forth (a) an estimate of Taxes for a particular Fiscal Year, (b) the Base Taxes, and (c) the resulting estimate of Excess Taxes for such Fiscal Year, Tenant shall pay Landlord one-twelfth (1/12th) of Tenant's Proportionate Share of the estimated Excess Taxes, multiplied by the number of months that have elapsed in the applicable Fiscal Year to the date of such payment including the current month, minus payments previously made by Tenant for the months elapsed. On the first day of each month thereafter, Tenant shall pay Landlord one-twelfth (1/12th) of Tenant's Proportionate share of this estimate, until a new estimate becomes applicable.

(2) Correction of Operating Cost Share Rent. Landlord shall deliver to Tenant a report for the previous Fiscal Year (the "Operating Cost Report") by May 15 each year, or as soon as reasonably possible thereafter, setting forth (a) the actual Operating Costs incurred, (b) the Base Operating Costs, (c) the amount of Operating Cost Share Rent due from Tenant, and (d) the amount of Operating Cost Share Rent paid by Tenant. Within twenty (20) days after such delivery, Tenant shall pay to Landlord the amount due minus the amount paid. If the amount paid exceeds the amount due, Landlord shall apply the excess to Tenant's payments of Operating Cost Share Rent next coming due.

(3) Correction of Tax Share Rent. Landlord shall deliver to Tenant a report for the previous Fiscal Year (the "Tax Report") by May 15 of each year, or as soon as reasonably possibly thereafter, setting forth (a) the actual Taxes, (b) the Base Taxes, (c) the amount of Tax Share Rent due from Tenant, and (d) the amount of Tax Share Rent paid by Tenant. Within twenty (20) days after such delivery, Tenant shall pay to Landlord the amount due from Tenant minus the amount paid by Tenant. If the amount paid exceeds the amount due, Landlord shall apply the excess to Tenant's payments of Tax Share Rent next coming due.

C. Definitions.

(1) Included Operating Costs. “Operating Costs” means any expenses, costs and disbursements of any kind other than Taxes, paid or incurred by Landlord in connection with the management, maintenance, operation, insurance, repair and other related activities in connection with any part of the Project and of the personal property, fixtures, machinery, equipment, systems and apparatus used in connection therewith, including the cost of providing those services required to be furnished by Landlord under this Lease. Operating Costs shall also include the costs of any capital improvements which are intended to reduce Operating Costs or improve safety, and those made to keep the Project in compliance with governmental requirements applicable from time to time (collectively, “Included Capital Items”); provided, that the costs of any Included Capital Item shall be amortized by Landlord, together with an amount equal to interest at ten percent (10%) per annum, over the estimated useful life of such item and such amortized costs are only included in Operating Costs for that portion of the useful life of the Included Capital Item which falls within the Term.

If the Project is not fully occupied during any portion of any Fiscal Year, Landlord may adjust (an “Equitable Adjustment”) Operating Costs to equal what would have been incurred by Landlord had the Project been fully occupied. This Equitable Adjustment shall apply only to Operating Costs that are variable and therefore increase as occupancy of the Project increases. Landlord may incorporate the Equitable Adjustment in its estimates of Operating Costs. Notwithstanding the foregoing, if the Project is less than ninety-five percent (95%) occupied in the Base Year, Landlord shall make an Equitable Adjustment to the Base Operating Costs, which “gross up” Base Operating Costs Shall be used in calculating Operating Cost Share Rent.

If Landlord does not furnish any particular service whose cost would have constituted an Operating Cost to a tenant other than Tenant who has undertaken to perform such service itself, Operating Costs shall be increased by the amount that Landlord would have incurred if it had furnished the service to such tenant.

(2) Excluded Operating Costs. Operating Costs shall not include:

- (a) costs of alterations of tenant premises;
- (b) costs of capital improvements other than Included Capital Items;
- (c) interest and principal payments on mortgages or any other debt costs, or rental payments on any ground lease of the Project;
- (d) real estate brokers’ leasing commissions, finders’ fees, entertainment and travel expenses and other costs incurred by Landlord in leasing or attempting to lease space in the Building;
- (e) legal fees, space planner fees and advertising expenses incurred with regard to leasing the Building or portions thereof;

- (f) any cost or expenditure for which Landlord is reimbursed, by insurance proceeds or otherwise, except by Operating Cost Share Rent;
- (g) the cost of any service furnished to any office tenant of the Project which Landlord does not make available to Tenant;
- (h) depreciation (except on any Included Capital Items);
- (i) franchise or income taxes imposed upon Landlord, except to the extent imposed in lieu of all or any part of Taxes;
- (j) costs of correcting defects in construction of the Building (as opposed to the cost of normal repair, maintenance and replacement expected with the construction materials and equipment installed in the Building in light of their specifications);
- (k) legal and auditing fees which are for the benefit of Landlord such as collecting delinquent rents, preparing tax returns and other financial statements, and audits other than those incurred in connection with the preparation of reports required pursuant to Section 2B above;
- (l) the wages of any employee for services not related directly to the management, maintenance, operation and repair of the Building;
- (m) fines, penalties and interest;
- (n) salaries and bonuses of officers and executives of Landlord above the level of director or operations;
- (o) overhead and profit increments paid to subsidiaries or affiliates of Landlord for services provided to the Building to the extent the same exceed the costs that would generally be charged for such services if rendered on a competitive basis (based upon a standard of similar office buildings in the general market area of the Premises) by unaffiliated third parties capable of providing such services;
- (p) Landlord's general corporate overhead, except as it relates to the management of the building and the maintenance of accounting systems for the Building;
- (q) costs of the initial installation of the landscaping the costs of any sculpture, paintings and objects of art for the Building;
- (r) costs incurred in connection with the operating and maintenance of the parking garage or off-site parking to the extent of parking charges paid to Landlord by users thereof;
- (s) costs of installing, operating and maintaining any broadcasting facilities, an observatory or any luncheon, athletic or recreation club within the Building;
- (t) earthquake insurance if not included within the Base Operating costs; and

- (u) costs relating to Hazardous Substances, including cleanup costs, if such costs were not in the Base Year, or such costs are covered by insurance, are to be reimbursed by another tenant in the Building or were caused by the acts or negligence of Landlord, its employees, agents, representations, suppliers, guests, invitees, etc., provided that Tenant shall be solely and directly liable for any cost related to any Hazardous Substances brought upon, produced, stored, used discharged or disposed of in or near the Project by Tenant or its employees, agents, representations, suppliers, guests, invitees, etc.

(3) Taxes. “Taxes” means any and all taxes, assessments and charges of any kind, general or special, ordinary or extraordinary, levied against the Project, which Landlord shall pay or become obligated to pay in connection with the ownership, leasing, renting, management, use, occupancy, control or operation of the Project or of the personal property, fixtures, machinery, equipment, systems and apparatus used in connection therewith. Taxes shall include real estate taxes, personal property taxes, sewer rents, water rents, special or general assessments, transit taxes, ad valorem taxes, and any tax levied on the rents hereunder or in the interest of Landlord under this Lease (the “Rent Tax”). Taxes shall also include all fees and other costs and expenses paid by Landlord in reviewing any tax and in seeing a refund or reduction of any Taxes, whether or not Landlord is ultimately successful.

For any year, the amount to be included in Taxes (a) from taxes or assessments payable in installments, shall be the amount of the installments (with any interest) due and payable during such year, and (b) from all other Taxes, shall be at Landlord’s election be the amount accrued, assessed, or otherwise imposed for such year or the amount due and payable in such year. Any refund or other adjustment to any Taxes by the taxing authority, shall apply during the year in which the adjustment is made.

Taxes shall not include any net income (except Rent Tax), capital, stock, succession, transfer, franchise, gift, estate or inheritance tax, except to the extent that such tax shall be imposed in lieu of any portion of Taxes.

(4) Lease Year. “Lease Year” means each consecutive twelve-month period beginning with the Commencement Date, except that if the Commencement Date is not the first day of a calendar month, then the first Lease Year shall be the period from the Commencement Date through the final day of the following month, and each subsequent Lease Year shall be the twelve months following the prior Lease Year.

(5) Fiscal Year “Fiscal Year” means the calendar year, except that the first Fiscal Year and the last Fiscal Year of the Term may be a partial calendar year.

D. Computation of Base Rent and Rent Adjustments.

(1) Prorations. If this Lease begins on a day other than the first day of the month, the Base Rent, Operating Cost Share Rent and Tax Share Rent shall be prorated for such partial month based on the actual number of days in such month. If this Lease begins on a day other than the first day, or ends on a day other than the last day, of the Fiscal Year, Operating Cost Share Rent and Tax Share Rent shall be prorated for the applicable Fiscal Year.

(2) Default Interest. Any sum due from Tenant to Landlord not paid when due shall bear interest from the date due until paid at the Prime Rate (as defined below), plus five percent (5%) per annum. As used in the immediately preceding sentence, “Prime Rate” means a variable interest rate per annum equal to the highest rate quoted in the “Money Rates” section of the Wall Street Journal as the “Prime Rate” for such day (or the previous day of publication for days on which the Wall Street Journal is not published). The Prime Rate shall be adjusted on and as of the effective date of any changes in the Prime Rate. If the Wall Street Journal ceases publication of its “Money Rates” section or otherwise ceases publishing the Prime Rate, the Prime Rate shall be the highest prevailing base or reference rate on corporate loans at U.S. money center commercial banks.

(3) Rent Adjustments. The square footage of the Premises and the Building set forth in the Schedule are conclusively deemed to be the actual square footage thereof, without regard to any subsequent remeasurement of the Premises or the Building. If any Operating Cost paid in one Fiscal Year relates to more than one Fiscal Year, Landlord may proportionately allocate such Operating Cost among the related Fiscal Years.

(4) Books and Records. Landlord shall maintain books and records reflecting the Operating Costs and Taxes in accordance with sound accounting and management practices. Tenant and its certified public accountant shall have the right to inspect Landlord’s records at Landlord’s office upon at least seventy-two (72) hours’ prior notice during normal business hours during the ninety (90) days following the respective delivery of the Operating Cost Report or the Tax Report. The results of any such inspection shall be kept strictly confidential by Tenant and its agents, and Tenant and its certified public accountant must agree, in their contract for such services, to such confidentiality restrictions and shall specifically agree that the results shall not be made available to any other tenant of the Building. Unless Tenant sends to Landlord any written exception to either such report within said ninety (90) day period, such report shall be deemed final and accepted by Tenant. Tenant shall pay the amount shown on both reports in the manner prescribed in this Lease, whether or not Tenant takes any such written exception, without any prejudice to such exception. If Tenant makes a timely exception, Landlord shall cause its independent certified public accountant to issue a final and conclusive resolution of Tenant’s exception. Tenant shall pay the cost of such certification unless Landlord’s original determination of annual Operation Costs or Taxes overstated the amounts thereof by more than five percent (5%).

(5) Miscellaneous. So long as Tenant is in default of any obligation under this Lease, Tenant shall not be entitled to any refund of any amount from Landlord. If this Lease is terminated for any reason prior to the annual determination of Operating Cost Share Rent or Tax Share Rent, either party shall pay the full amount due to the other within fifteen (15) days after Landlord’s notice to Tenant of the amount when it is determined. Landlord may commingle any payments made with respect to Operating Cost Share Rent or Tax Share Rent, without payment of interest.

3. PREPARATION AND CONDITION OF PREMISES; POSSESSION AND SURRENDER OF PREMISES.

A. Condition of Premises. Except to the extent of the Tenant Improvements item on the Schedule, Landlord is leasing the Premises to Tenant "as is", without any obligation to alter, remodel, improve, repair or decorate any part of the Premises. Landlord shall cause the Premises to be completed in accordance with the Tenant Improvement Agreement attached as Appendix C.

B. Tenant's Possession. Tenant's taking possession of any portion of the Premises shall be conclusive evidence that the Premises were in good order, repair and condition, unless Tenant gives Landlord written notice of any deficiencies within seven (7) business days following the date on which Tenant takes possession. If Landlord authorizes Tenant to take possession or any part of the Premises prior to the Commencement Date for the purposes of doing business, all terms of this Lease shall apply to such pre-Term possession, including Base Rent at the rate set forth for the First Lease Year in the Schedule prorated for any partial month.

C. Maintenance. Throughout the Term, Tenant shall maintain the Premises in their condition as of the Completion Date, loss or damage caused by the elements, ordinary wear, and fire and other casualty excepted. To the extent Tenant fails to perform such obligation, Landlord may, but need not, restore the Premises to such condition and Tenant shall pay the cost thereof.

D. Signage. Tenant shall be granted standard directory and suite signage as is customary for the building.

4. PROJECT SERVICES.

Landlord shall furnish services as follow:

A. Heating and Air Conditioning. During the normal business hours of 7:00 a.m. to 6:00 p.m., Monday through Friday, Landlord shall furnish heating and air conditioning to provide a comfortable temperature, in Landlord's judgement, for normal business operations, except to the extent Tenant installs equipment that adversely affects the temperature maintained by the air conditioning system. If Tenant installs such equipment, Landlord may install supplementary air conditioning units in the Premises, and Tenant shall pay to Landlord upon demand as Additional Rent the cost of installation, operation and maintenance thereof. Landlord shall furnish heating and air conditioning after business hours if Tenant provides Landlord reasonable prior notice, and pays Landlord all then current charges for such additional heating or air conditioning.

B. Elevators. Landlord shall provide passenger elevator service during normal business hours to Tenant in common with Landlord and all other tenants. Landlord shall provide limited passenger service at other times, except in case of an emergency.

C. Electricity. Landlord shall provide sufficient electricity to operate normal office lighting and equipment. Tenant shall not install or operate in the Premises any electrically operated equipment or other machinery, other than business machines and equipment normally employed for general office use which do not require high electricity consumption for operation, without

obtaining the prior written consent of Landlord. If any or all of Tenant's equipment requires electricity consumption in excess of that which is necessary to operate normal office equipment, such consumption (including consumption for computer or telephone rooms and special HVAC equipment) shall be submetered by Landlord at Tenant's expense (including the cost to install the submeter), and Tenant shall reimburse Landlord at Tenant's expense (including the cost to install the submeter), and Tenant shall reimburse Landlord as Additional Rent for the cost of its submetered consumption based upon Landlord's average cost of electricity. Such Additional Rent shall be in addition to Tenant's obligations pursuant to Section 2A(2) to pay its Proportionate Share of Operating Costs.

D. Water. Landlord shall furnish hot and cold tap water for drinking and toilet purposes. Tenant shall pay Landlord for water furnished for any other purpose as Additional Rent at rates fixed by Landlord. Tenant shall not permit water to be wasted.

E. Janitorial Service. Landlord shall furnish janitorial service as generally provided to other tenants in the Building.

F. Interruption of Services. If any of the Building equipment or machinery ceases to function properly for any cause Landlord shall use reasonable diligence to repair the same promptly. Landlord's inability to furnish, to any extent, the Project services set forth in this Section 4, or any cessation hereof result in from any causes, including without limitation any entry for repairs pursuant to this Lease, and any renovation, redecoration or rehabilitation of any area of the Building shall not render Landlord liable for damages to either person or property or for interruption or loss to Tenant's business, nor be construed as an eviction of Tenant, nor work an abatement of any portion of Rent, nor relieve Tenant from fulfillment of any covenant or agreement hereof. However, in the event that an interruption of the Project services set forth in in this Section 4 is within Landlord's reasonable control and such interruption causes the Premises to be untenable for a period of at least two (2) consecutive business days, monthly Rent shall thereafter be abated proportionately.

G. Parking. Landlord shall provide parking areas for the Project, as designated by Landlord from time to time, for the nonexclusive use by Tenant and its employees and other invitees in common with Landlord and other tenants of Project and their respective employees and other invitees at no additional cost to Tenant. Tenant shall be entitled to use (without charge) a total of five (5) nonexclusive parking spaces (including visitor parking spaces) times the total usable square feet of the Premises, divided by 1,000. Tenant shall have no right to exclusive parking with respect to any parking spaces within the Project. Tenant shall not tow cars or otherwise enforce its parking rights against third parties. Tenant shall not allow its employees or other invitees to park within any public streets adjacent to the Project. Landlord shall not be responsible for enforcing Tenant's parking rights against third parties and Landlord shall have no liability to Tenant due to Tenant's inability to utilize parking spaces within the Project; however, Landlord shall have the right, but not the obligation, to impose reasonable rules and regulations as Landlord may deem necessary to regulate parking within the Project, including registration of license plate numbers for vehicles driven by Tenant's employees, issuance and monitoring of parking tags or permits and/or designation of exclusive parking spaces.

5. **ALTERATIONS AND REPAIRS.**

A. Landlord's Consent and Conditions.

Tenant shall not make any improvements or alterations to the Premises (the "Work") without in each instance submitting plans and specifications for the Work to Landlord and obtaining Landlord's prior written consent. Tenant shall pay Landlord's standard charge for review of the plans and all other items submitted by Tenant. Landlord will be deemed to be acting reasonably in withholding its consent for any Work which (a) impacts the base structural components or systems of the Building, (b) impacts any other tenant's premises, or (c) is visible from outside the Premises.

Tenant shall reimburse Landlord for actual costs incurred for review of the plans and all other items submitted by Tenant. Tenant shall pay for the cost of all Work. All Work shall become the property of Landlord upon its installation, except for Tenant's trade fixtures and for items which Landlord requires Tenant to remove at Tenant's cost at the termination of this Lease pursuant to Section 5E.

The following requirements shall apply to all Work:

(1) Prior to commencement, Tenant shall furnish to Landlord building permits, certificates of insurance satisfactory to Landlord, and, at Landlord's request, security for payment of all costs.

(2) Tenant shall perform all Work so as to maintain peace and harmony among other contractors serving the Project and shall avoid interference with other work to be performed or services to be rendered in the Project.

(3) The Work shall be performed in a good and workmanlike manner, meeting the standard for construction and quality of materials in the Building, and shall comply with all insurance requirements and all applicable governmental laws, ordinances and regulations ("Governmental Requirements").

(4) Tenant shall perform all Work so as to minimize or prevent disruption to other tenants, and Tenant shall comply with all reasonable requests of Landlord in response to complaints from other tenants.

(5) Tenant shall perform all Work in compliance with Landlord's "Policies, Rules and Procedures for Construction Projects" in effect at the time the Work is performed.

(6) Tenant shall permit Landlord to supervise all Work.

(7) Upon completion, Tenant shall furnish Landlord with contractor's affidavits and full and final statutory waivers of liens, as-built plans and specifications, and receipted bills covering all labor and materials, and all other close-out documentation required in Landlord's "Policies, Rules and Procedures for Construction Projects".

B. Damage to Systems. Except as provided below, if any part of the mechanical, electrical or other systems in the Premises shall be damaged, Tenant shall promptly notify Landlord, and Landlord shall repair such damage. Landlord may also at any reasonable time make any repairs or alterations which Landlord deems necessary for the safety or protection of the Project, or which Landlord is required to make by any court or pursuant to any Governmental Requirement. Tenant shall at its expense make all other repairs necessary to keep the Premises, Tenant's fixtures and personal property, and any equipment or computer room cooling unit located in or servicing the Premises in good order, condition and repair; to the extent Tenant fails to do so, Landlord may make such repairs itself. The cost of an repairs made by Landlord on account of Tenant's default, or on account of the misuse or neglect by tenant or its invitees, contractors or agents anywhere in the Project, shall become Additional Rent payable by Tenant on demand.

C. No Liens. Tenant has no authority to cause or permit any lien or encumbrance of any kind to affect Landlord's interest in the Project; any such lien or encumbrance shall attach to Tenant's interest only. If any mechanic's lien shall be filed or claim of lien made for work or materials furnished to Tenant, then Tenant shall at its expense within ten (10) days thereafter either discharge or contest the lien or claim. If Tenant contests the lien or claim, then Tenant shall (i) within such ten (10) day period, provide Landlord adequate security for the lien or claim, (ii) contest the lien or claim in good faith by appropriate proceedings that operate to stay its enforcement, and (iii) pay promptly any final adverse judgement entered in any such proceeding. If Tenant does not comply with these requirements, Landlord may discharge the lien or claim, and the amount paid, as well as attorney's fees and other expenses incurred by Landlord, shall become Additional Rent payable by Tenant on demand.

D. Ownership of Improvements. All work as defined in this Section 5, partitions, hardware, equipment, machinery and all other improvements and all fixtures except trade fixtures, constructed in the Premises by either Landlord or Tenant, (i) shall become Landlord's property upon installation without compensation to Tenant, unless Landlord consents otherwise in writing, and (ii) shall at Landlord's option either (a) be surrendered to Landlord with the Premises at the termination of this Lease or of Tenant's right to possession, or (b) be removed in accordance with Section 5E below if Landlord at the time it gives its consent to the performance of such construction indicates that such removal will be required.

E. Removal at Termination. Upon the termination of this Lease or Tenant's right of possession Tenant shall remove from the Project its trade fixtures, furniture, moveable equipment and other personal property, any improvements which Landlord has indicated are required to be removed by Tenant pursuant to Section 5D, and any improvements to any portion of the Project other than the Premises. Tenant shall repair all damage caused by the installation or removal of any of the foregoing items. If Tenant does not timely remove such property, then Tenant shall be conclusively presumed to have, at Landlord's election (i) conveyed such property to Landlord without compensation or (ii) abandoned such property, and Landlord may dispose of or store any part thereof in any manner at Tenant's sole cost, without waiving Landlord's right to claim from Tenant all expenses arising out of Tenant's failure to remove the property, and without liability to Tenant or any other person. Landlord shall have no duty to be a bailee of any such personal property. If Landlord elects abandonment, Tenant shall pay to Landlord, upon demand, any expenses incurred for disposition.

6. USE OF PREMISES. Tenant shall use the Premises only for general office purposes. Tenant shall not allow any use of the Premises that will negatively affect the cost of coverage of Landlord's insurance on the Project. Tenant shall not allow any inflammable or explosive liquids or materials to be kept on the Premises. Tenant shall not allow any use of the Premises that would cause the value or utility of any part of the Premises to diminish or would interfere with any other tenant or with the operation of the Project by Landlord. Tenant shall not permit any nuisance or waste upon the Premises, or allow any offensive noise or odor in or around the Premises.

If any governmental authority shall deem the Premises to be a "place of public accommodation" under the Americans with Disabilities Act or any other comparable law as a result of Tenant's use, Tenant shall either modify its use to cause such authority to rescind its designation or be responsible for any alterations, structural or otherwise, required to be made the Building or the Premises under such laws.

7. GOVERNMENTAL REQUIREMENTS AND BUILDING RULES. Tenant shall comply with all Governmental Requirements applying to its use of the Premises. Tenant shall also comply with all reasonable rules established for the Project from time to time by Landlord. The Present rules and regulations are contained in Appendix B. Failure by another tenant to comply with the rules or failure by Landlord to enforce them shall not relieve Tenant of its obligation to comply with the rules or make Landlord responsible to Tenant in any way. Landlord shall use reasonable efforts to apply the rules and regulations uniformly and in a nondiscriminatory manner with respect to Tenant and tenants in the Building under leases containing rules and regulations similar to this Lease. Tenant will not be required by Landlord to comply with any rules or regulations that are not being enforced in accordance with the immediately preceding sentence. In the event of alterations and repairs performed by Tenant, Tenant shall comply with the provisions of Section 5 of this Lease and also Landlord's "Policies, Rules and Regulations for Construction Projects."

8 WAIVER OF CLAIMS; INDEMNIFICATION; INSURANCE.

A. Waiver of Claims. Subject to Section 8B, to the extent permitted by law, Tenant waives any claims it may have against Landlord or its officers, directors, employees or agents for business interruption or damage to property sustained by Tenant as the result of any act or omission of Landlord.

Subject to Section 8B, to the extent permitted by law, Landlord waives any claims it may have against Tenant or its officers, directors, employees or agents for loss or rents (other than Rent) or damage to property sustained by Landlord as the result of any act or omission of Tenant.

B. Indemnification. Tenant shall indemnify, defend and hold harmless Landlord and its officers, directors, employees and agents against any claim by any third party for injury to any person damage to or loss of any property occurring in the Project and arising from the use of the Premises or from any other act or omission or negligence of Tenant or any of Tenant's employees or agents. Tenant's obligations under this section shall survive the termination of this Lease.

Landlord shall indemnify, defend and hold harmless Tenant and its officers, directors, employees and agents against any claim by any third party for injury to any person or damage to or loss of any property occurring in the Project and arising from any act or omission or negligence of Landlord or any of Landlord's employees or agents. Landlord's obligations under this section shall survive the termination of this Lease.

C. Tenant's Insurance. Tenant shall maintain insurance as follows, with such other terms, coverages and insurers, as Landlord shall reasonably require from time to time:

(1) Commercial General Liability Insurance, with (a) Contractual Liability including indemnification provisions contained in this Lease, (b) a severability of interest endorsement, (c) limits of not less than One Million Dollars (\$1,000,000) in the aggregate for bodily injury, sickness or death, and property damage, and umbrella coverage of not less than Three Million Dollars (\$3,000,000).

(2) Property Insurance against "All Risks" of physical loss covering the replacement cost of all improvements, fixtures and personal property. Tenant waives all rights of subrogation, and Tenant's property insurance shall include a waiver of subrogation in favor of Landlord.

(3) Workers' Compensation or similar insurance in from and amounts required by law, and Employer's Liability with not less than the following limits:

Each Accident	\$500,000
Disease – Policy Limit	\$500,000
Disease – Each Employee	\$500,000

Such insurance shall contain a waiver of subrogation provision in favor of Landlord and its agents.

Tenant's insurance shall be primary and not contributory to that carried by Landlord, its agents, or mortgagee. Landlord, and if any, Landlord's building manager or agent and ground lessor shall be named as additional insureds with respect to insurance required of Tenant in Section 8C (1). The company of companies writing any insurance which Tenant is required to maintain under this Lease, as well as the form of such insurance, shall at all times be subject to Landlord's approval, and any such company shall be licensed to do business in the state in which the Building is located. Such insurance companies shall have an A.M. Best rating of A VI or better.

Tenant shall cause any contractor of Tenant performing work on the Premises to maintain insurance as follows, with such other terms, coverages and insurers, as Landlord shall reasonably require from time to time:

(1) Commercial General Liability Insurance, including contractor's liability coverage, contractual liability coverage, completed operations coverage, broad form property damage endorsement, and contractor's protective liability coverage, to afford protection with limits, for each occurrence, of not less than One Million Dollars (\$1,000,000) with respect to personal injury, death or property damage.

(2) Workers' Compensation or similar insurance in form and amounts required by law, and Employer's Liability with not less than the following limits:

Each Accident	\$500,000
Disease – Policy Limit	\$500,000
Disease – Each Employee	\$500,000

Such insurance shall not contain a waiver of subrogation provision in favor of Landlord or its agents.

Tenant's contractor's insurance shall be primary and not contributory to that carried by Tenant, Landlord, their agents or mortgagees. Tenant and Landlord, and if any, Landlord's building manager or agents, mortgagee or ground lessor shall be named as additional insured on Tenant's contractor's insurance policies.

D. Insurance Certificates. Tenant shall deliver to Landlord certificates evidencing all required insurance no later than five (5) days prior to the Commencement Date and each renewal date. Each certificate will provide for thirty (30) days prior written notice of cancellation to Landlord and Tenant.

E. Landlord's Insurance. Landlord shall maintain "All-Risk" property insurance at replacement cost, including loss of rents, on the Building, and Commercial General Liability insurance policies covering the common areas of the Building, each with such terms, coverages and conditions as are normally carried by reasonably prudent owners of properties similar to the Project. In addition, Landlord may, if available at a reasonable cost, carry earthquake and terrorism insurance. With respect to property insurance, Landlord and Tenant mutually waive all rights of subrogation, and the respective "All-Risk" coverage property insurance policies carried by Landlord and Tenant shall contain enforceable waiver of subrogation endorsements.

9. FIRE AND OTHER CASUALTY.

A. Termination. If a fire or other casualty causes substantial damage to the Building or the Premises, Landlord shall engage a registered architect to certify within one (1) month of the casualty to both Landlord and Tenant the amount of time needed to restore the Building and the Premises to tenantability, using standard working methods. If the time needed exceeds eight (8) months from the beginning of the restoration, or two (2) months therefrom if the restoration would begin during the last twelve (12) months of this Lease, then in the case of the Premises, either Landlord or Tenant may terminate this Lease, and in the case of the Building, Landlord may terminate this Lease, by notice to the other party within ten (10) days after the notifying party's receipt of the architect's certificate. The termination shall be effective thirty (30) days from the date of the notice and Rent shall be paid by Tenant to that date, with an abatement for any portion of the Premises that has been untenable after the casualty.

B. Restoration. If a casualty causes damage to the Building or the Premises but this Lease is not terminated for any reason, then subject to the rights of any mortgagees or ground lessors, Landlord shall obtain the applicable insurance proceeds and diligently restore the Building and the Premises subject to current Governmental Requirements. Tenant shall replace its damaged

improvements, personal property and fixtures. Rent shall be abated on a per diem basis during the restoration for any portion of the Premises that is untenable, except to the extent that Tenant's negligence caused the casualty.

10. **EMINENT DOMAIN.** If a part of the Project is taken by eminent domain or deed in lieu thereof which is so substantial that the Premises cannot reasonably be used by Tenant for the operation of its business, then either party may terminate this Lease effective as of the date of the taking. If any substantial portion of the Project is taken without affecting the Premise, then Landlord may terminate this Lease as of the date of such taking. Rent shall abate from the date of the taking in proportion to any part of the Premises taken. The entire award for a taking of any kind shall be paid to Landlord. Tenant may pursue a separate award for its trade fixtures and moving expenses in connection with the taking, but only if such recovery does not reduce the award payable to Landlord. All obligations accrued to the date of the taking shall be performed by the party liable to perform said obligations, as set forth herein.

11. **RIGHTS RESERVED TO LANDLORD.**

Landlord may exercise at any time any of the following rights respecting the operation of the Project without liability to Tenant of any kind:

- A. **Name.** To change the name or street address of the Building.
- B. **Signs.** To install and maintain any signs on the exterior and in the interior of the Building, and to approve at its sole discretion, prior to installation, any of Tenant's signs in the Premises visible from the common areas or the exterior of the Building.
- C. **Window Treatments.** To approve, at its discretion, prior to installation, any shades, blinds, ventilators or window treatments of any kind, as well as any lighting within the Premises that may be visible from the exterior of the Building or any interior common area.
- D. **Keys.** To retain and use at any time passkeys to enter the Premises or any door within the Premises. Tenant shall not alter or add any lock or bolt.
- E. **Access.** To have access to inspect the Premises, and to perform its obligations, or make repairs, alterations, additions or improvements, as permitted by this Lease.
- F. **Preparation for Reoccupancy.** To decorate, remodel, repair, alter or otherwise prepare the Premises for reoccupancy at any time after Tenant abandons the Premises, without relieving Tenant of any obligation to pay Rent.
- G. **Heavy Articles.** To approve the weight, size, placement and time and manner of movement within the Building of any safe, central filing system or other heavy article of Tenant's property. Tenant shall move its property entirely at its own risk.
- H. **Show Premises.** To show the Premises to prospective purchasers, tenants, brokers, lenders, investors, rating agencies or others at any reasonable time, provided that

Landlord gives prior notice to Tenant and does not materially interfere with Tenant's use of the Premises.

I. Relocation of Tenant. To relocate Tenant, upon thirty (30) days' prior written notice, from all or part of the Premises (the "Old Premises") to another area in the Project (the "New Premises"), provided that:

(1) the size of the New Premises is at least equal to the size of the Old Premises;
and

(2) Landlord pays the cost of moving Tenant and improving the new premises to the standard of the Old Premises. Tenant shall cooperate with Landlord in all reasonable ways to facilitate the move, including supervising the movement of files or fragile equipment, designating new locations for furniture, equipment and new telephone and electrical outlets, and determining the color of paint in the New Premises.

J. Use of Lockbox. To designate a lockbox collection agent for collections of amounts due to Landlord. In the case, the date of payment of Rent or other sums shall be the date of the agent's receipt of such payment or the date of actual collection of payment is made in the form of a negotiable instrument thereafter dishonored upon presentment. However, notwithstanding any receipt, deposit or collection, Landlord may subsequently reject any payment for all purposes for any reason for which Landlord may be entitled to reject such payment under this Lease as of the date of receipt or actual collection by mailing to Tenant within twenty-one (21) days after such receipt or collection a check equal to the amount sent by Tenant.

K. Repairs and Alterations. To make repairs or alterations to the Project and in doing so transport any required material through the Premises, to close entrances, doors, corridors, elevators and other facilities in the Project, to open any ceiling in the Premises, or to temporarily suspend services or use of common areas in the Building. Landlord may perform any such repairs or alterations during ordinary business hours, except that Tenant may require any work in the Premises to be done after business hours if Tenant pays Landlord for overtime and any other expenses incurred. Landlord may do or permit any work on any nearby building, land, street, alley or way.

L. Landlord's Agents. If Tenant is in default under this Lease, possession of Tenant's funds or negotiation of Tenant's negotiable instruments by any of Landlord's agents shall not waive any breach by Tenant or any remedies of Landlord under this Lease.

M. Building Services. To install, use and maintain through the Premises, pipes, conduits, wires and ducts serving the Building, provided that such installation, use and maintenance does not unreasonably interfere with Tenant's use of the Premises.

N. Other Actions. To take any other action which Landlord deems reasonable in connection with the operation, maintenance or preservation of the Building.

12. **TENANT'S DEFAULT.**

Any of the following shall constitute a default by Tenant:

- A. **Rent Default.** Tenant fails to pay any Rent when due;
- B. **Assignment/Sublease or Hazardous Substances Default.** Tenant defaults in its obligations under Section 17 Assignment and Sublease or Section 28 Hazardous Substances;
- C. **Other Performance Default.** Tenant fails to perform any other obligation to Landlord under this Lease, and, in the case of only the first (2) such failures during the Term of this Lease, this failure continues for ten (10) days after written notice from Landlord, except that if Tenant begins to cure its failure within the ten (10) day period but cannot reasonably complete its cure within such period, then, so long as Tenant continues to diligently attempt to cure its failure, the ten (10) day period shall be extended to such period as is reasonably necessary to complete the cure;
- D. **Credit Default.** One of the following credit defaults occurs:
 - (1) Tenant commences any proceeding under any law relating to bankruptcy, insolvency, reorganization or relief of debts, or seeks appointment of a receiver, trustee, custodian or other similar official for Tenant or for any substantial part of its property, or any such proceeding is commenced against Tenant and either remains undismissed for a period of thirty (30) days or results in the entry of an order for relief against Tenant which is not fully stayed within seven (7) days after entry;
 - (2) Tenant becomes insolvent or bankrupt, does not generally pay its debts as they become due, or admits in writing its inability to pay its debts, or makes a general assignment for the benefit of creditors;
 - (3) Any third party obtains a levy or attachment under process of law against Tenant's leasehold interest.
- E. **Vacation or Abandonment Default.** Tenant vacates or abandons the Premises.

13. **LANDLORD REMEDIES.**

- A. **Termination of Lease or Possession.** If Tenant defaults, Landlord may elect by notice to Tenant either to terminate this Lease or to terminate Tenant's possession of the Premises without terminating this Lease. In either case, Tenant shall immediately vacate the Premises and deliver without possession to Landlord, and Landlord may repossess the Premises and may, at tenant's sole cost, remove any of Tenant's signs and any of its other property, without relinquishing its right to receive Rent or any other right against Tenant.
- B. **Termination Damages.** If Landlord terminates this Lease or if Landlord terminates Tenant's right to possession without terminating this Lease and Landlord takes possession of the Premises itself, Landlord may relet any part of the Premises for such Rent, for such time, and

upon such terms as Landlord in its sole discretion shall determine, without any obligation to do so prior to renting other vacant areas in the Building. Any proceeds from reletting the Premises shall first be applied to the expenses of reletting, including redecoration, repair, alteration, advertising, brokerage, legal, and other reasonably necessary expenses. If the reletting proceeds after payment of expenses are insufficient to pay the full amount of Rent under this Lease, Tenant shall pay such deficiency to Landlord monthly upon demand as it becomes due. Any excess proceeds shall be retained by Landlord.

C. Landlord's Remedies Cumulative. All of Landlord's remedies under this Lease shall be in addition to all other remedies Landlord may have at law or in equity. Waiver by Landlord of any breach of any obligation by Tenant shall be effective only if it is in writing, and shall not be deemed a waiver of any other breach, or any subsequent breach of the same obligation. Landlord's acceptance of payment by Tenant shall not constitute as a waiver of any breach by Tenant, and if the acceptance occurs after Landlord's notice to Tenant, or termination of this Lease or of Tenant's right to possession, the acceptance shall not affect such notice or termination. Acceptance of payment by Landlord after commencement of legal proceeding or final judgement shall not affect such proceeding or judgement. Landlord may advance such monies and take such other actions for Tenant's account as reasonably may be required to cure or mitigate any default by Tenant. Tenant shall immediately reimburse Landlord for any such advance, and such sums shall bear interest at the default interest rate until paid.

D. **WAIVER OF TRIAL BY JURY.** EACH PARTY WAIVES TRIAL BY JURY IN THE EVENT OF ANY LEGAL PROCEEDING BROUGHT BY THE OTHER IN CONNECTION WITH THIS LEASE. EACH PARTY SHALL BRING ANY ACTION AGAINST THE OTHER IN CONNECTION WITH THIS LEASE IN A FEDERAL OR STATE COURT LOCATE IN UTAH, CONSENTS TO THE JURISDICTION OF SUCH COURTS, AND WAIVES ANY RIGHT TO HAVE ANY PROCEEDING TRANSFERRED FROM SUCH COURTS ON THE GROUND OF IMPROPER VENUE OR INCONVENIENT FORUM.

E. Litigation Costs. If any action is brought to recover any rent or other amount under this Lease because of any default under this Lease, to enforce or interpret any of the provisions of this Lease, or for recovery of possession of the Premises, the party prevailing in such action shall be entitled to recover from the other reasonable attorneys' fees (including those incurred in connection with any appeal), the amount of which shall be fixed by the court and made a part of any judgement rendered.

14. **SURRENDER.** Upon termination of this Lease or Tenant's right to possession, Tenant shall return the Premises to Landlord broom clean and in good order and condition ordinary wear and casualty damage excepted. If Landlord requires Tenant to remove any alterations in accordance with Sections 5D and E, then Tenant shall remove the alterations in a good and workmanlike manner and restore the Premises to its conditions prior to their installation.

15. **HOLDOVER.** Tenant shall have no right to holdover possession of the Premises after the expiration or termination of this Lease without Landlord's prior written consent, which consent may be withheld in Landlord's sole and absolute discretion. If Tenant retains possession

of any part of the Premises after the Term with the consent of Landlord, Tenant shall become a month-to-month tenant for the entire Premises upon all of the terms of this Lease as might be applicable to such month-to-month tenancy, except that Tenant shall pay all of Base Rent, Operating Cost Share Rent and Tax Share Rent at one hundred fifty percent (150%) of the rate in effect immediately prior to such holdover, computed on a monthly basis for each full or partial month Tenant remains in possession. Tenant shall also pay Landlord all of Landlord's direct and consequential damages resulting from Tenant's holdover, if made without Landlord's consent. No acceptance of Rent or other payments by Landlord under these holdover provisions shall operate as a waiver of Landlord's right to regain possession or any other of Landlord's remedies.

16. SUBORDINATION TO GROUND LEASES AND MORTGAGES.

A. Subordination. This Lease shall be subordinate to any present or future ground lease or mortgage respecting the Project, and any amendments to such ground lease or mortgage, at the election of the ground lessor or mortgagee as the case may be, effected by notice to Tenant in the manner provided in this Lease. The subordination shall be effective upon such notice, but at the request of Landlord or ground lessor or mortgagee, Tenant shall have within ten (10) days of the request, execute and deliver to the requesting party any reasonable documents provided to evidence the subordination. Any mortgagee has the right, at its option, to subordinate its mortgage to the terms of this Lease, without notice to, or the consent of, Tenant.

B. Termination of Ground Lease or Foreclosure of Mortgage. If any ground lease is terminated or mortgage foreclosed or deed in lieu of foreclosure given and the ground lessor, mortgagee, or purchaser at a foreclosure sale shall thereby become the owner of the Project, Tenant shall attorn to such ground lessor or mortgagee or purchaser without any deduction or setoff by Tenant, and this Lease shall continue in effect as a direct lease between Tenant and such ground lessor, mortgagee or purchaser. The ground lessor or mortgagee or purchaser shall be liable as Landlord only during the time such ground lessor or mortgagee or purchaser is the owner of the Project. At the request of Landlord, ground lessor or mortgagee, Tenant shall execute and deliver within ten (10) days of the request any document furnished by the requesting party to evidence Tenant's agreement to attorn.

C. Security Deposit. Any ground lessor or mortgagee shall be responsible for the return of any security deposit by Tenant only to the extent the security deposit is received by such ground lessor or mortgagee.

D. Notice and Right to Cure. The Project is subject to any ground lease and mortgage identified with the name and address of ground lessor or mortgagee in Appendix D to this Lease (as the same may be amended from time to time by written notice to Tenant). Tenant agrees to send by registered or certified mail to any ground lessor or mortgagee identified either in such Appendix or in any later notice from Landlord to Tenant a copy of any notice of default sent by Tenant to Landlord. If Landlord fails to cure such default within the required time period under this Lease, but ground lessor or mortgagee begins to cure within ten (10) days after such period and proceeds diligently to complete such cure, then ground lessor or mortgagee shall have such additional time as is necessary to complete such cure, including any time necessary to obtain possession if possession is necessary to cure, and Tenant shall not begin to enforce its remedies so long as the cure is being diligently pursued.

E. Definitions. As used in this Section 16, “mortgage” shall include “deed of trust and/or trust deed” and “mortgagee” shall include “beneficiary” and/or “trustee” and the mortgagee of any ground lessee, and “ground lessor,” “mortgagee,” and “purchaser at a foreclosure sale” shall include, in each case, all of its successors and assigns, however remote.

17. ASSIGNMENT AND SUBLEASE.

A. In General. Tenant shall not, without the prior consent of Landlord in each case, (i) make or allow any assignment or transfer, by operation of law or otherwise, of any part of Tenant’s interest in this Lease, (ii) grant or allow any lien or encumbrance, by operation of law or otherwise, upon any part of Tenant’s interest in this Lease, (iii) sublease any part of the Premises, or (iv) permit anyone other than Tenant and its employees to occupy any part of the Premises. Tenant shall remain primarily liable for all of its obligations under this Lease, notwithstanding any assignment or transfer. No consent granted by Landlord shall be deemed to be a consent to any subsequent assignment or transfer, lien or encumbrance, sublease or occupancy. Tenant shall pay all of Landlord’s attorneys’ fees and other expenses incurred in connection with any consent requested by Tenant or in reviewing any proposed assignment or subletting, not to exceed \$1,000. Any assignment or transfer, grant of lien or encumbrance, or sublease or occupancy without Landlord’s prior written consent shall be void. If Tenant shall assign this Lease or sublet the Premises in its entirety any rights of Tenant to renew this Lease, extend the Term or to lease additional space on the Project shall be extinguished thereby and will not be transferred to the assignee or subtenant, all such rights being personal to the tenant named herein. If no default on the part of Tenant is merged or consolidated, to an entity to which obtaining Landlord’s written consent, if Tenant notifies Landlord at least (10) business days prior to the proposed transaction, providing information satisfactory to Landlord in order to determine the net worth of the successor entity immediately prior to such assignment and the net worth of Tenant as of the date of this Lease, and showing the net worth of the successor entity immediately prior to such assignment to be at least equal to the net worth of Tenant as of the date of this Lease. Section 17F shall not apply to a transaction described in the immediately preceding sentence.

B. Landlord’s Consent. Landlord will not unreasonably withhold its consent to any proposed assignment or subletting. It shall be reasonable for Landlord to withhold its consent to any assignment or sublease if (i) Tenant is in default under this Lease, (ii) the proposed assignee or subtenant is a tenant in the Project or an affiliate of such a tenant or a party that Landlord has identified as a prospective tenant in the Project, (iii) the financial responsibility, nature of business, and character of the proposed assignee or subtenant are not all reasonably satisfactory to Landlord, (iv) in the reasonable judgement of Landlord the purpose for which the assignee or subtenant intends to use the Premises (or a portion thereof) is not in keeping with Landlord’s standards for the Building or are in violation of the terms of this Lease or any other leases in the Project, (v) the proposed assignee or subtenant is a government entity, or (vi) the proposed assignment is for less than the entire Premises or for less than the remaining Term of this Lease. The foregoing shall not exclude any other reasonable basis for Landlord to withhold its consent.

C. Procedure. Tenant shall notify Landlord of any proposed assignment or sublease at least thirty (30) days prior to its proposed effective date. The notice shall include the name

and address of the proposed assignee or subtenant, its corporate affiliates in the case of a corporation and its partners in a case of a partnership, an execution copy of the proposed assignment or sublease, and sufficient information to permit Landlord to determine the financial responsibility and character of the proposed assignee or subtenant. As a condition to any effective assignment of this Lease, the assignee shall execute and deliver in form satisfactory to Landlord at least fifteen (15) days prior to the effective date of the assignment, an assumption of all of the obligations of Tenant under this Lease. As a condition to any effective sublease, subtenant shall execute and deliver in form satisfactory to Landlord at least fifteen (15) days prior to the effective date of the sublease, an agreement to comply with all of Tenant's obligations under this Lease, and at Landlord's option, an agreement (except for the economic obligations which subtenant will undertake directly to Tenant) to attorn to Landlord under the terms of the sublease in the event this Lease terminates before the sublease expires.

D. Change of Management or Ownership. Any transfer of the direct or indirect power to affect the management or policies of Tenant or direct or indirect change in 25% or more of the ownership interest in Tenant shall constitute an assignment of this Lease, excluding one or more transfers between or among existing shareholders of Tenant.

E. Excess Payments. If Tenant shall assign this Lease or sublet any part of the Premises for consideration in excess of the pro-rata portion of Rent applicable to the space subject to the assignment or sublet, then Tenant shall pay to Landlord as Additional Rent 50% of any such excess immediately upon receipt.

F. Recapture. Landlord may, by giving written notice to Tenant within thirty (30) days after receipt of Tenant's notice of assignment or subletting, terminate this Lease with respect to the space described in Tenant's notice, as of the effective date of the proposed assignment or sublease and all obligations under this Lease as to such space shall expire except as to any obligations that expressly survive any termination of this Lease; provided, however, that this paragraph shall not apply in the case of the sale of all or substantially all of the assets of Tenant or of Tenant's Utah operations.

18. **CONVEYANCE BY LANDLORD.** If Landlord shall at any time transfer its interest in the Project or this Lease, Landlord shall be released of any obligations occurring after such transfer, except the obligation to return to Tenant any security deposit not delivered to its transferee, and Tenant shall look solely to Landlord's successors for performance of such obligations. This Lease shall not be affected by any such transfer.

19. **ESTOPPEL CERTIFICATE.** Each party shall, within ten (10) days of receiving a request from the other party, execute, acknowledge in recordable form, and deliver to the other party or its designee a certificate stating, subject to a specific statement of any applicable exceptions, that this Lease as amended to date is in full force and effect, that Tenant is paying Rent and other charges on a current basis, and that to the best of the knowledge of the certifying party, the other party has committed no uncured defaults and has no offsets or claims. The certifying party may also be required to state the date of commencement of payment of Rent, the Commencement Date, the Termination Date, the Base Rent, the current Operating Cost Share Rent and Tax Share Rent estimates, the status of any improvements required to be completed by Landlord, the amount of any security deposit, and such other matters as may be

reasonably requested. Failure to deliver such statement within the time required shall be conclusive evidence against the non-certifying party that this Lease, with any amendments identified by the requesting party, is in full force and effect, that there are no uncured defaults by the requesting party that not more than one month's rent has been paid in advance, that the non-certifying party has not paid any security deposit, and that the non-certifying party has no claims or offsets against the requesting party.

20. **SECURITY DEPOSIT.** Tenant shall deposit with Landlord on the date of this Lease, security for the performance of all of its obligation sin the amount set forth on the schedule. If Tenant defaults under this Lease, Landlord may use any part of the Security Deposit to make any defaulted payment, to pay for Landlord's cure of any defaulted obligation, or to compensate Landlord for any loss or damage resulting from any default. To the extent any portion of the deposit is used, Tenant shall within five (5) days after demand from Landlord restore the deposit to its full amount. Landlord may keep the Security Deposit in its general funds and shall not be required to pay interest to Tenant on the deposit amount. If Tenant shall perform all of its obligations under this Lease and return the Premises to Landlord at the end of the Term, Landlord shall return all of the remaining Security Deposit to Tenant within thirty (30) days after the end of the Term. The Security Deposit shall not serve as an advance payment of Rent or a measure of Landlord's damages for any default under this Lease.

If Landlord transfers its interest in the Project or this Lease, Landlord may transfer the Security Deposit to its transferee. Upon such transfer, Landlord shall have no further obligation to return the Security Deposit to Tenant, and Tenant's right to the return of the Security Deposit shall apply solely against Landlord's transferee.

21. **FORCE MAJEURE.** Landlord shall not be in default under this Lease to the extent Landlord is unable to perform any of its obligations on account of any strike or labor problem, energy shortage, governmental pre-emption or prescription, national emergency, or any other cause of any kind beyond the reasonable control of Landlord ("Force Majeure").

22. **NOTICES.** All notices, consents, approvals and similar communications to be given by one party to the other under this Lease, shall be given in writing, mailed or personally delivered as follows:

A. **Landlord.** To Landlord as follows:

Spark10, LLC
c/o Capstone Property Management, LC
4422 Century Drive
Murray, UT 84123

or to such other person at such other address as Landlord may designate by notice to Tenant.

B. Tenant. To Tenant as follows:

Ascent Academies of Utah
4179 South Riverboat Road, Suite 100
Taylorsville, UT 84123

or to such other person at such other address as Tenant may designate by notice to Landlord.

Mailed notices shall be sent by United States certified or registered mail, or by a reputable national overnight courier service, postage prepaid. Mailed notices shall be deemed to have been given on the earlier of actual delivery or three (3) business days after posting in the United States mail in the case of registered or certified mail, and one business day in the case of overnight courier.

23. **QUIET POSSESSION.** So long as Tenant shall perform all of its obligations under this Lease, Tenant shall enjoy peaceful and quiet possession of the Premises against any party claiming through Landlord.

24. **REAL ESTATE BROKER.** Tenant represents to Landlord that Tenant has not dealt with any real estate broker with respect to this Lease except for any broker(s) listed in the Schedule, and no other broker is in any way entitled to any broker's fee or other payment in connection with this Lease. Tenant shall indemnify and defend Landlord against any claims by any other broker or third party for any payment of any kind in connection with this Lease. Landlord shall be solely responsible to pay the commissions due to the brokers listed in the Schedule in accordance with one or more separate agreements.

25. **MISCELLANEOUS.**

A. Successors and Assigns. Subject to the limits on Tenant's assignments contained in Section 17, the provisions of this Lease shall be binding upon the inure to the benefit of all successors and assigns of Landlord and Tenant.

B. Date Payments Are Due. Except for payments to be made by Tenant under this Lease that are due upon demand or are due in advance (such as Base Rent), Tenant shall pay to Landlord any amount for which Landlord renders a statement of account within ten (10) days of Tenant's receipt of Landlord's statement.

C. Meaning of "Landlord," "Re-Entry," "including" and "Affiliate". The term "Landlord" means only the owner of the Project and the lessor's interest in this Lease from time to time. The words "re-entry" are not restricted to their technical legal meaning. The words "including" and similar words shall mean "without limitation." The word "affiliate" shall mean a person or entity controlling, controlled by or under common control with the applicable entity. "Control" shall mean power directly or indirectly, by contract or otherwise, to direct the management and policies of the applicable entity.

- D. Time of the Essence. Time is of the essence of each provision of this Lease.
- E. No Option. This document shall not be effective for any purpose until it has been executed and delivered by both parties; execution and delivery by one party shall not create any option or other right in the other party.
- F. Severability. The unenforceability of any provision of this Lease shall not affect any other provision.
- G. Governing Law. This Lease shall be governed in all respects by the laws of the state in which the Project is located, without regard to the principles conflicts of laws.
- H. Lease Modification. Tenant agrees to modify this Lease in any way requested by a mortgagee that does not cause increased expense to Tenant or otherwise materially adversely affect Tenant's interests under this Lease.
- I. No Oral Modification. No modification of this Lease shall be effective unless it is a written modification signed by both parties.
- J. Landlord's Right to Cure. If Landlord breaches any of its obligations under this Lease, Tenant shall notify Landlord in writing and shall take no action respecting such breach so long as Landlord promptly begins to cure the breach and diligently pursues such cure to its completion. Landlord may cure any default by Tenant; any expenses incurred shall become additional Rent due from Tenant on demand by Landlord.
- K. Captions. The captions used in this Lease shall have no effect on the construction of this lease.
- L. Authority. Landlord and Tenant each represent to the other that it has full power and authority to execute and perform this Lease.
- M. Landlord's Enforcement of Remedies. Landlord may enforce any of its remedies under this Lease either in its own name or through an agent.
- N. Entire Agreement. This Lease, together with all Appendices, constitutes the entire agreement between the parties. No representations or agreements of any kind have been made by either party that are not contained in this Lease.
- O. Landlord's Title. Landlord's title shall always be paramount to the interest of Tenant, and nothing in this Lease shall empower Tenant to do anything that might in any way impair Landlord's title.
- P. Light and Air Rights. Landlord does not grant in this Lease any rights to light and air in connection with the Project. Landlord reserves to itself, the Land, the Building below the improved floor of each floor and the Premises, the Building above the ceiling of each floor of the Premises, the exterior or the Premises and the areas on the same floor outside the Premises,

along with the areas within the Premises required for the installation and repair of utility lines and other items required to serve other tenants of the Building.

Q. Singular and Plural. Wherever appropriate in this Lease, a singular term shall be construed to mean the plural where necessary, and a plural term the singular. For example, if at any time two parties shall constitute Landlord or Tenant, then the relevant term shall refer to both parties together.

R. No Recording by Tenant. Tenant shall not record in any public records any memorandum or any portion of this Lease.

S. Exclusivity. Landlord does not grant to Tenant in this Lease any exclusive right except the right to occupy its Premises.

T. No Construction Against Drafting Party. The rule of construction that ambiguities are resolved against the drafting party shall not apply to this Lease.

U. Survival. All obligations of Landlord and Tenant under this Lease shall survive the termination of this Lease.

V. Rent Not Based on Income. No rent or other payment in respect of the Premises shall be based in any way upon net income or profits from the Premises. Tenant may not enter into or permit any sublease or license or other agreement in connection with the Premises that provides for a rental or other payment based on net income or profit.

W. Building Manager and Service Providers. Landlord may perform any of its obligations under this Lease through its employees or third parties hired by Landlord.

X. Late Charge and Interest on Late Payments. Without limiting the provisions of Section 12A, if Tenant fails to pay any installment of Rent or other charge to be paid by Tenant pursuant to this Lease within five (5) business days after the same becomes due and payable, then Tenant shall pay a late charge equal to the greater of five percent (5%) of the amount of such payment or \$250. In addition, interest shall be paid by Tenant to Landlord on any late payments of Rent from the date due until paid at the rate provided in Section 2D(2). Such late charge and interest shall constitute Additional Rent due and payable by Tenant to Landlord upon the date of payment of the delinquent payment referenced above.

Y. Tenant's Financial Statements. Within ten (10) days after Landlord's written request therefore, Tenant shall deliver to Landlord the current audited annual and quarterly financial statements of Tenant, and annual audited financial statements of the two (2) years prior to the current year's financial statements, each with an opinion of a certified public accountant including a balance sheet and profit and loss statement, all prepared in accordance with generally accepted accounting principles consistently applied.

26. **UNRELATED BUSINESS INCOME.** If Landlord is advised by counsel at any time that any part of the payments by Tenant to Landlord under this Lease may be characterized as unrelated business income under the United States Internal Revenue Code and its regulations,

the Tenant shall enter into any amendment proposed by Landlord to avoid such income, so long as the amendment does not require Tenant to make more payments or accept fewer services from Landlord, than this Lease provides, and does not have any other adverse impact on Tenant.

27. **HAZARDOUS SUBSTANCES.** Tenant shall not cause or permit any Hazardous Substances to be brought upon, produced, stored, used, discharged or disposed of in or near the Project unless Landlord has consented to such storage or use in its sole discretion. “Hazardous Substances” include those hazardous substances described in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901 et seq., any other applicable federal, state or local law, and the regulations adopted under these laws. If any lender or governmental agency shall require testing for Hazardous Substances in the Premises Tenant shall pay for such testing.

28. **EXCULPATION.** Landlord shall have no personal liability under this Lease; its liability shall be limited to its interest in the Project, and shall not extend to any other property or assets of Landlord. In no event shall any officer, director, employee, agent, shareholder, partner, member or beneficiary of Landlord be personally liable for any of Landlord’s obligations hereunder.

29. **OWNERSHIP DISCLOSURE.** Tenant acknowledges that Kent Gibson has an ownership interest in Spark10, LLC and is a principal in Capstone Property Management, LC.

30. IN WITNESS WHEREOF, the parties hereto have executed this Lease.

LANDLORD:

SPARK10, LLC

Agent:

Capstone Property Management, LC

By: _____

Print Name: _____

Print Title: _____

TENANT:

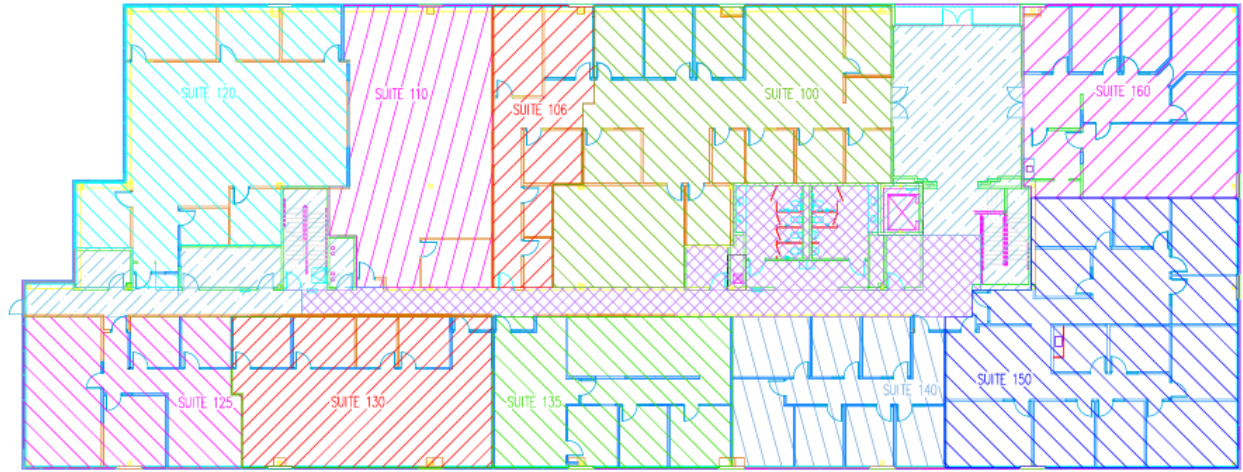
Ascent Academies of Utah

By:  _____

Print Name: Chris Bleak

Print Title: Board Chair

APPENDIX A



APPENDIX B

RULES AND REGULATIONS

1. Tenant shall not place anything, or allow anything to be placed near the glass of any window, door, partition or wall that may, in Landlord's judgment, appear unsightly from outside of the Project.

2. The Project directory shall be available to Tenant solely to display names and their location in the Project, which display shall be as directed by Landlord.

3. The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by Tenant or used by Tenant for any purposes other than for ingress to and egress from the Premises. Tenant shall lend its full cooperation to keep such areas free from all obstruction and in a clean and slightly condition and shall move all supplies, furniture and equipment as soon as received directly to the Premises and move all such items and waste being taken from the Premises (other than waste customarily removed by employees of the Building) directly to the shipping platform at or about the time arranged for removal therefrom. The halls, passages, exits, entrances, elevators, stairways, balconies and roof are not for the use of the general public and Landlord shall, in all cases, retain the right to control and prevent access thereto by all persons whose presence in the judgment of Landlord, reasonably exercised, shall be prejudicial to the safety, character, reputation and interests of the Project. Neither Tenant nor any employee or invitee of Tenant shall go upon the roof of the Project.

4. The toilet rooms, urinals, wash bowls and other apparatuses shall not be used for any purposes other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein, and to the extent caused by Tenant or its employees or invitees, the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by Tenant.

5. Tenant shall not cause any unnecessary janitorial labor or services by reason of Tenant's carelessness or indifference in the preservation of good order and cleanliness.

6. Tenant shall not install or operate any refrigerating, heating or air conditioning apparatus, or carry on any mechanical business without the prior written consent of Landlord; use the Premises for housing, lodging or sleeping purposes; or permit preparation or warming of food in the Premises (warming of coffee and individual meals for employees and guests excepted). Tenant shall not occupy or use the Premises or permit the Premises to be occupied or used for any purpose, act or thing which is in violation of any Governmental Requirement or which may be dangerous to persons or property.

7. Tenant shall not bring upon, use or keep in the Premises or the Project any kerosene, gasoline or inflammable or combustible fluid or material, or any other articles deemed hazardous to persons or property, or use any method of heating or air conditioning other than that supplied by Landlord.

8. Landlord shall have sole power to direct electricians as to where and how telephone and other wires are to be introduced. No boring or cutting for wires is to be allowed without the consent of the Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

9. No additional locks shall be placed upon any doors, windows or transoms in or to the Premises. Tenant shall not change existing locks or the mechanism thereof. Upon termination of this Lease, Tenant shall deliver to Landlord all keys and passes for offices, rooms, parking lot and toilet rooms which shall have been furnished Tenant.

In the event of the loss of keys so furnished, Tenant shall pay Landlord therefor. Tenant shall not make, or cause to be made, any such keys and shall order all such keys solely from Landlord and shall pay Landlord for any keys in addition to the two sets of keys originally furnished by Landlord for each lock.

10. Tenant shall not install linoleum, tile, carpet or other floor covering so that the same shall be affixed to the floor of the Premises in any manner except as approved by Landlord.

11. No furniture, packages, supplies, equipment or merchandise will be received in the Project or carried up or down in the freight elevator, except between such hours and in such freight elevator as shall be designated by Landlord. Tenant shall not take or permit to be taken in or out of other entrances of the Building, or take or permit on other elevators, any item normally taken in or out through the trucking concourse of service doors or in or on freight elevators.

12. Tenant shall cause all doors to the Premises to be closed and securely locked and shall turn off all utilities, lights and machines before leaving the Project at the end of the day.

13. Without the prior written consent of Landlord, Tenant shall not use the name of the Project or any picture of the Project in connection with, or in promoting or advertising the business of, Tenant, except Tenant may use the address of the Project as the address of its business.

14. Tenant shall cooperate fully with Landlord to assure the most effective operation of the Premises' or the Project's heating and air conditioning, and shall refrain from attempting to adjust any controls, other than room thermostats installed for Tenant's use. Tenant shall keep corridor doors closed.

15. Tenant assumes full responsibility for protecting the Premises from theft, robbery and pilferage, which may arise from a cause other than Landlord's negligence, which includes keeping doors locked and other means of entry to the Premises closed and secured.

16. Peddlers, solicitors and beggars shall be reported to the office of the Project or as Landlord otherwise requests.

17. Tenant shall not advertise the business, profession or activities of Tenant conducted in the Project in any manner that violates the letter or spirit of any code of ethics adopted by any recognized association or organization pertaining to such business, profession or activities.

18. No bicycle or other vehicle and no animals or pets shall be allowed in the Premises, halls, freight docks, or any other parts of the Building except that blind persons may be accompanied by "seeing eye" dogs. Tenant shall not make or permit any noise, vibration or odor to emanate from the Premises, or do anything therein tending to create, or maintain, a nuisance, or do any act tending to injure the reputation of the Building.

19. Tenant acknowledges that Building security problems may occur which may require the employment of extreme security measures in the day-to-day operation of the Project.

Accordingly:

(a) Landlord may, at any time, or from time to time, or for regularly scheduled time periods, as deemed advisable by Landlord and/or its agents, in their sole discretion, require that persons entering or leaving the Project identify themselves to watchmen or other employees designated by Landlord, by registration, identification or otherwise.

(b) Tenant agrees that it and its employees will cooperate fully with Project employees in the implementation of any and all security procedures.

(c) Such security measures shall be the sole responsibility of Landlord, and tenant shall have no liability for any action taken by Landlord in connection therewith, it being understood that Landlord is not required to provide any security procedures and shall have no liability for such security procedures or the lack thereof.

20. Tenant shall not do or permit the manufacture, sale, purchase, use or gift of any fermented, intoxicating or alcoholic beverages without obtaining written consent of Landlord.

21. Tenant shall not disturb the quiet enjoyment of any other tenant.

22. Tenant shall not provide any janitorial services or cleaning without Landlord's written consent and then only subject to supervision of Landlord and at Tenant's sole responsibility and by janitor or cleaning contractor or employees at all times satisfactory to Landlord.

23. Landlord may retain a pass key to the Premises and be allowed admittance there to at all times to enable its representatives to examine the Premises from time to time and to exhibit the same without interference with Tenant's business operations, and Landlord may place and keep on the windows and doors of the Premises at any time signs advertising the Premises for Rent.

24. No equipment, mechanical ventilators, awnings, special shades or other forms of window covering shall be permitted either inside or outside the windows of the Premises without the prior written consent of Landlord, and then only at the expense and risk of Tenant, and they shall be of such shape, color, material, quality, design and make as may be approved by Landlord.

25. Tenant shall not during the term of this Lease canvas or solicit other tenants of the Building for any purpose.

26. Tenant shall not install or operate any phonograph, musical or sound-producing instrument or device, radio receiver or transmitter, TV receiver or transmitter, or similar device in the Building, nor install or operate any antenna, aerial, wires or other equipment inside or outside the Building, nor operate any electrical device from which may emanate electrical waves which may interfere with or impair radio or television broadcasting or reception from or in the Building or elsewhere, without in each instance the prior written approval of Landlord. The use thereof, if permitted, shall be subject to control by Landlord to the end that others shall not be disturbed.

27. Tenant shall promptly remove all rubbish and waste from the Premises.

28. Tenant shall not exhibit, sell or offer for sale, rent or exchange in the Premises or at the Project any article, thing or service, except those ordinarily embraced within the use of the Premises specified in Section 6 of this Lease, without the prior written consent of Landlord.

29. Tenant shall not overload any floors in the Premises or any public corridors or elevators in the Building.

30. Tenant shall not do any painting in the Premises, or mark, paint, cut or drill into, drive nails or screws into, or in any way deface any part of the Premises or the Building, outside or inside, without the prior written consent of Landlord, except for the hanging of typical pictures.

31. Whenever Landlord's or Tenants' consent, approval or satisfaction is required under these Rules or the Lease, then unless otherwise expressly stated, any such consent, approval or satisfaction must be obtained in advance, and such consent or approval shall be granted or withheld in the party's reasonable discretion.

32. Tenant and its employees shall cooperate in all fire drills conducted by Landlord in the Building.

33. Tenant and its employees shall at all times place protective mats under any chairs used in the Premises when such chairs have casters attached to the chair legs.

APPENDIX C

TENANT IMPROVEMENT AGREEMENT

In “as-is” condition

Tenant takes the Premises in “As Is” condition.

APPENDIX D

MORTGAGES CURRENTLY AFFECTING THE PROJECT

Wells Fargo Bank

APPENDIX E

COMMENCEMENT DATE CONFIRMATION

Landlord: SPARK10, LLC a Utah limited liability company

Tenant: [TENANT NAME]

This Commencement Date confirmation is made by Landlord and Tenant pursuant to that certain Lease dated as of _____, 202__ (the "Lease") for certain premises known as Suite [Ste#] in the building commonly known as Sorenson Research Park 10 (the "Premises"). This Confirmation is made pursuant to Item 9 of the Schedule to the Lease.

1. Lease Commencement Date, Termination Date. Landlord and Tenant hereby agree that the Commencement Date of the Lease is _____, 202__, and the Termination Date of the Lease is _____, 202__.

2. Base Rent. The schedule of Base Rent payable under the Lease is as follows:
[insert final schedule of Base Rent]

3. Acceptance of Premises. Tenant has inspected the Premises and affirms that the Premises are acceptable in all respects in their current "as is" condition. [Tenant shall not be required to make this statement until at least seven (7) business days after the Commencement Date.]

4. Incorporation. This Confirmation is incorporated into the Lease, and forms an integral part thereof. This Confirmation shall be construed and interpreted in accordance with the terms of the Lease for all purposes.

LANDLORD:

SPARK10, LLC

Agent:

Capstone Property Management, LC

By: _____

Print Name: _____

Print Title: _____

TENANT:

[TENANT NAME]

By:  _____

Print Name: Chris Bleak _____

Print Title: Board Chair _____

Ascent Academy W. Jordan

Option 2 Add-On

(Requires Enlarged Playground Pit)





Play Power LT Farmington, Inc

Company Description & Qualifications

General Information:

Manufacturing Firm: Play Power LT Farmington, Inc.
Corporation Address: 878 E Highway 60
Monett, Missouri 65708
Phone: (800) 325-8828

Accts Payable Submit to: Play Power LT Farmington, Inc
PO Box 734155
Dallas, TX 75373-4155

Business: Play Power LT Farmington, Inc.
(Under current name since June 2004)
Previously know as: Little Tikes Commercial, Inc.
Iron Mountain Forge, now PlayPower LT started operations in 1979.
46 Years in Business!

President: Bryan Yeazel
Regional Sales Manager: Greg Sippel

Purchasing Associations: SourceWell (formerly NJPA), NASPO
Utah State Contract MA2568

Principal Agent: Michael Feidler - Primary Park and Play, LLC
Area: Utah and Southern Idaho
Phone: (801) 855-6213
Email: mike@primaryparkandplay.com

Qualifications:

PlayPower LT Farmington, Inc. is a division of Play Power, Inc. a publicly held company. Primary Park and Play, LLC is the sole distributor of Play Power LT Farmington, Inc (formerly know as Little Tikes Commercial, Inc.) in Utah and Southern Idaho.

Playground equipment and fall surfacing IPEMA Certified



PlayPower LT Farmington, Inc.
878 E. US Hwy 60
Monett, MO 65708
1-800-325-8828

QUOTE: OE25016136
CUSTOMER: AC07759
PROJECT: 25017162
DESIGN NAME: Ascent W Jordan opt
2

Bill To:

ASCENT ACADEMIES
290 N FLINT ST
C/O ACADEMICA WEST
KAYSVILLE, UT 84037

Project Name & Location:

Ascent Academy West Jordan
Attn: Ascent Academy W
Jordan Option 2

Prepared by:

PRIMARY PARK AND PLAY, LLC
Mike Feidler
MICHAEL TODD FEIDLER
SARATOGA SPRINGS, UT 84045

Ship To Address:

Mike Feidler
Ascent Academy W Jordan
5662 West 8200 South
West Jordan, UT 84088
(801) 855-6213 (phone)

End User:

Kirk Blake
Ascent Academy W Jordan
5662 West 8200 South
West Jordan, UT 84088
(801) 444-9378 (phone)
kirk.blake@awservices.com

Quote Number: OE25016136
Quote Date: 10/27/2025

Valid For: 30 Days From Quote Date

PlayArea_1

OPTION 2

Product line: KidBuilders Age group: 5-12_ASTM

Global defaults

CLIMBER COLOR	YELLOW
Cone Spinner Post	BLUE
Cylinder Color Large	FOREST GREEN
Cylinder Color Medium	BLUE
Cylinder Color Small	YELLOW
Entry Slide Color	RED
Exit Slide Color	BLUE
Hoopla_Plastic_Clr_1	BLUE
Hoopla_Plastic_Clr_2	YELLOW
KB Accent Color	RED
KB CLAMP	BLUE
KB Pnl/Crwl Tunnel Clr	BLUE
KB Slide/Float Stone Clr	BLUE
KB Vinyl color	BROWN
KB/Jeep Ground Cover	BURIED
Kid Builder Post Color	FOREST GREEN
Plastic Steering Wheel	BLUE
Section 1 Slide Color	BLUE
Section 2 Slide Color	RED
Section 3 Slide Color	BLUE
Section 4 Slide Color	RED
Section 5 Slide Color	BLUE

Components

Part Number	Description	Qty	Weight	Volume	Unit Price	Total
200007049	Safety Panel, deck mount	1.00	34.00	5.00	559.00	559.00
200007099	Seat Panel, below deck only	1.00	60.00	15.09	939.00	939.00
200008193	TOOL BOX KID BUILDERS #2, S.S. (MM)	1.00	3.00	0.36	0.00	0.00
200013801	KB 176" POST W/CAP	2.00	77.00	3.80	590.00	1,180.00
200013810	KB 148" POST W/CAP	2.00	64.00	3.20	500.00	1,000.00
200013813	KB 164" POST W/CAP	10.00	71.00	3.60	540.00	5,400.00
200066522	Deck-To-Deck Steps, 815 mm (32"), w/safety rails	1.00	264.00	27.27	2,191.00	2,191.00
200069056	KB 186" POST W/CAP	2.00	81.00	4.00	625.00	1,250.00
200098030	Catwalk, 2440 mm (8')	1.00	362.00	59.51	4,064.00	4,064.00
200102487	Fan Climber, 1625 mm (64") deck	1.00	148.00	52.14	1,722.00	1,722.00
200115327	Gear Panel, Flat Top, below deck	1.00	40.00	9.17	2,032.00	2,032.00
200122438	Spiral Slide, 1625 mm (64") Large Hole Deck	1.00	380.00	189.75	7,500.00	7,500.00
200200530	KIT MAINTENANCE KB W/PAINT W/O LIST	1.00	10.00	0.00	0.00	0.00
200200663	Steel Telescope Panel KB, deck mt.	1.00	60.00	4.00	1,713.00	1,713.00
200202247	Bridge Clatter 8' KB w/Sfty.RL(LG Hole)	1.00	417.00	31.00	6,055.00	6,055.00
200202442	KB Hoopla Bridge 2440MM (96")	1.00	320.00	62.00	4,262.00	4,262.00
200202483	KB Deck Square Large Hole 11GA	2.00	116.00	9.86	1,379.00	2,758.00
200202485	Deck Triangle Large Hole 11GA	2.00	59.00	7.25	993.00	1,986.00
200203192	KB BeatBlocks Panel	1.00	55.00	2.00	1,463.00	1,463.00
200203270	Quantum II Slide, Single Entry (96")	1.00	255.00	48.00	6,960.00	6,960.00
	Entry Slide Color: RED					
	Exit Slide Color: BLUE					
	Section 1 Slide Color: BLUE					
	Section 1 Slide Direction: LEFT TURN SLIDE SECTION					
	Section 2 Slide Color: RED					
	Section 2 Slide Direction: STRAIGHT SLIDE SECTION					
	Section 3 Slide Color: BLUE					
	Section 3 Slide Direction: LEFT TURN SLIDE SECTION					
	Section 4 Slide Color: RED					
	Section 4 Slide Direction: STRAIGHT SLIDE SECTION					
	Section 5 Slide Color: BLUE					
	Section 5 Slide Direction: STRAIGHT SLIDE SECTION					
200203318	Cylinder Climber 64"	1.00	175.00	12.00	3,055.00	3,055.00
200203546	ZoomTwist with Floor	1.00	345.00	386.00	17,127.00	17,127.00
200203576	Steering Wheel, plastic, panel mount	1.00	3.00	1.30	389.00	389.00
200203589	Silo Scramble with Single Enclosure	1.00	331.00	142.00	6,618.00	6,618.00
HW7704-1	HRDW PKG F/CLAMP ELIMINATION S1/1	1.00	1.00	0.00	50.00	50.00

RiskSign_Included

Product line: Freestanding

Global defaults

RISK MGNT SIGN CLR

FOREST GREEN

Components

Part Number	Description	Qty	Weight	Volume	Unit Price	Total
787Z	RISK MANAGEMENT SIGN - ENGLISH	1.00	0.00	10.00	0.00	0.00

Additional Items

Part Number	Description	Qty	Weight	Volume	Unit Price	Total
105295	BAG ZIPLOCK 12" X 14"	1.00	0.00	0.00	0.00	0.00
200111492	Label, Identification stamped w/rivets	2.00	0.00	0.00	5.47	10.94
200305597	14' LARGE CRATE (ASSY DOMESTIC)	5.00	385.00	0.00	0.00	0.00
925603	LABEL P/C (5 TO 12 YRS) PPLT	2.00	1.00	0.00	7.90	15.80
925960	THUMB DRIVE 2GB - PPLT	1.00	0.00	0.00	0.00	0.00
INSTALL BK	INSTALL BOOK FOR PP ORDERS	1.00	0.00	0.00	0.00	0.00

Parts By Other

Part Number	Description	Qty	Weight	Volume	Unit Price	Total
EWf	Engineered Wood Fiber per Cubic Yard Enough to add 12" Depth across the 1558 sq ft enlarged pit area.	78	0.00	0.00	92.00	7,176.00
Fabric	Sq ft of landscape fabric installed under wood mulch Landscape fabric	1558	0.00	0.00	0.45	701.10

Totals:

Equipment Weight:	6,694.00 lbs
Equipment Volume:	1,148.81 ft ³
Equipment List:	\$80,299.74
Discount Amount:	-\$28,907.90
Equipment Price:	\$51,391.84
Products Subtotal:	\$51,391.84
Products by Other:	\$7,877.10
PBO Freight:	\$150.00
Installation:	\$27,500.00
Estimated Sales Tax*:	\$0.00
Freight:	\$5,355.48 Code: FTL
Grand Total:	\$92,274.42

Make Purchase Orders Out To:

PlayPower LT Farmington, Inc.
Remit Purchase Orders by email to:
mike@primaryparkandplay.com
PlayPower LT Farmington, Inc.
Attention: Sales Administration
878 E US Hwy 60
Monett, Missouri, USA 65708
1-800-325-8828

Make Checks Payable To:

PlayPower LT Farmington, Inc.
Remit Checks To:
PlayPower LT Farmington
PO Box 734155
Dallas, TX 75373-4155

NOTE:

* Applicable sales taxes will be confirmed once order and any tax certificates are received

† Denotes drop ship item.

Unloading, storage, installation, surfacing and site work are not included unless specifically noted on quotation.

Not responsible for filter cloth, irrigation rerouting, grass damage, or checking for underground utilities.

If installation is quoted, it is assumed that the site has been prepared and that any grade slope in any direction does not exceed 2%. In the event that unexpected soil conditions, such as subsurface rock, are encountered during installation, additional costs to the customer will be applicable.

The acceptance signature below serves as authorization to order the items quoted and indicates acceptance of the prices listed. All terms are subject to credit approval.

COMMENTS:

The Little Tikes Commercial Playground equipment on this proposal is available for purchase through the UT State contract at better than contract pricing.

Not Included in this bid is the site work; such as removal of 42' of concrete curb, Dig 1558 Sq Ft Pit area, Add 136' of new curb and drainage gravel / drainage as needed

This playground contains 17.41% recycled content

This playground qualifies for 1 LEED point(s)

This Quote shall not become a binding contract until signed and delivered by both Customer and PlayPower LT Farmington Inc ("PPLT"). Sales Representative is not authorized to sign this Quote on behalf of PPLT or Customer, and signed Quotes cannot be accepted from Sales Representative. To submit this offer, please sign below and forward a complete signed copy of this Quote directly to "PPLT Sales Administration" via fax (417)354-2273 or email

mike@primaryparkandplay.com. Upon acceptance, PPLT will return a fully-signed copy of the Quote to Customer (with copy to Sales Representative) via fax or e mail.

THIS QUOTE IS LIMITED TO AND GOVERNED BY THE TERMS CONTAINED HEREIN. PPLT objects to any other terms proposed by Customer, in writing or otherwise, as material alterations, and all such proposed terms shall be void. Customer authorizes PPLT to ship the Equipment and agrees to pay PPLT the total amount specified. Shipping terms are FOB the place of shipment via common carrier designated by PPLT. Payment terms are Net-30 days from invoice date with approved credit and all charges are due and payable in full at PO Box 734155, Dallas, TX 75373-4155, unless notified otherwise by PPLT in writing. Customer agrees to pay all additional service charges for past due invoices. Customer must provide proper tax exemption certificates to PPLT, and shall promptly pay and discharge all otherwise applicable taxes, license fees, levies and other impositions on the Equipment at its own expense.

CUSTOMER HEREBY SUBMITS ITS OFFER TO PURCHASE THE EQUIPMENT ACCORDING TO THE TERMS STATED IN THIS QUOTE AND SUBJECT TO FINAL APPROVAL BY PPLT.

Submitted By

Printed Name and Title

Date

THE FOREGOING QUOTE AND OFFER ARE HEREBY APPROVED AND ACCEPTED BY PLAYPOWER LT FARMINGTON INC.

By: _____

Date: _____

ADDITIONAL TERMS & CONDITIONS OF SALE

1. Use & Maintenance. Customer agrees to regularly inspect and maintain the Equipment, and to provide, inspect and maintain appropriate safety surfacing under and around the Equipment, in accordance with PPLT's product literature and the most current Consumer Product Safety Commission Handbook for Public Playground Safety.

2. Default, Remedies & Delinquency Charges. Customer's failure to pay any invoice when due, or its failure to otherwise comply with the terms of this Quote, shall constitute a default under all unsatisfied invoices ("Event of Default"). Upon an Event of Default, PPLT shall have all remedies available to it at law or equity, including, without limitation, all remedies afforded a secured creditor under the Uniform Commercial Code. Customer agrees to assist and cooperate with PPLT to accomplish its filing and enforcement of mechanic's or other liens with respect to the Equipment or its location or its repossession of the Equipment, and Customer expressly waives all rights to possess the Equipment after an Event of Default. All remedies are cumulative and not alternative, and no exercise by PPLT of a remedy will prohibit or waive the exercise of any other remedy. Customer shall pay all reasonable attorneys' fees plus any costs of collection incurred by PPLT in enforcing its rights hereunder. Subject to any limitations under law, Customer shall pay to PPLT as liquidated damages, and not as a penalty, an amount equal to 1.5% per month of any payment that is delinquent in such month and is not received by PPLT within ten (10) days after the date on which due.

3. Limitation of Warranty/ Indemnity. PPLT MAKES NO EQUIPMENT WARRANTIES EXCEPT FOR THOSE STANDARD WARRANTIES ISSUED WITH THE EQUIPMENT, WHICH ARE INCORPORATED HEREIN BY THIS REFERENCE. PPLT SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES. CUSTOMER AGREES TO DEFEND, INDEMNIFY AND SAVE PPLT HARMLESS FROM ALL CLAIMS OF ANY KIND FOR DAMAGES OF ANY KIND ARISING OUT OF CUSTOMER'S ALTERATION OF THE EQUIPMENT, ITS FAILURE TO MAINTAIN THE EQUIPMENT, ITS FAILURE TO PROPERLY SUPERVISE EQUIPMENT USE, OR ITS FAILURE TO PROVIDE AND MAINTAIN APPROPRIATE TYPES AND DEPTHS OF SAFETY SURFACING BENEATH AND AROUND THE EQUIPMENT IN ACCORDANCE WITH PPLT'S INSTALLATION AND OWNER'S MANUALS AND THE MOST CURRENT CONSUMER PRODUCT SAFETY COMMISSION HANDBOOK FOR PUBLIC PLAYGROUND SAFETY.

4. Restrictions. Until all amounts due hereunder are paid in full, Customer shall not: (i) permit the Equipment to be levied upon or attached under any legal process; (ii) transfer title to the Equipment or any of Customer's rights therein; or (iii) remove or permit the removal of the Equipment to any location not specified in this Quote.

5. Purchase Money Security Interest. Customer hereby grants, pledges and assigns to PPLT, and PPLT hereby reserves a purchase money security interest in, the Equipment in order to secure the payment and performance in full of all of Customer's obligations hereunder. Customer agrees that PPLT may file one or more financing statements, in order to allow it to perfect, acquire and maintain a superior security interest in the Equipment.

6. Choice of Law and Jurisdiction. All agreements between Customer and PPLT shall be interpreted, and the parties' obligations shall be governed, by the laws of the State of Missouri without reference to its choice of law provisions.

Customer hereby consents to the personal jurisdiction of the state and federal courts located in the city and county of St. Louis, Missouri.

7. Title; Risk of Loss; Insurance. PPLT Retains full title to all Equipment until full payment is received by PPLT. Customer assumes all risk of loss or destruction of or damage to the Equipment by reason of theft, fire, water, or any other cause, and the occurrence of any such casualty shall not relieve the Customer from its obligations hereunder and under any invoices. Until all amounts due hereunder are paid in full, Customer shall insure the Equipment against all such losses and casualties.

8. Waiver; Invalidity. PPLT may waive a default hereunder, or under any invoice or other agreement between Customer and PPLT, or cure such a default at Customer's expense, but shall have no obligation to do either. No waiver shall be deemed to have taken place unless it is in writing, signed by PPLT. Any one waiver shall not constitute a waiver of other defaults or the same kind of default at another time, or a forfeiture of any rights provided to PPLT hereunder or under any invoice. The invalidity of any portion of this Quote shall not affect the force and effect of the remaining valid portions hereof.

9. Entire Agreement; Amendment; Binding Nature. This fully-executed Quote, as supplemented by Change Orders and invoices containing exact amounts of estimates provided herein, constitutes the complete and exclusive agreement between the parties. A Change Order is a written instrument signed by the Customer and PPLT stating their agreement as to any amendment in the terms of this Quote. Customer acknowledges that Change Orders may result in delays and additional costs. The parties agree that all Change Orders shall include appropriate adjustments in price and time frames relating to any requested amendments. Upon full execution, this Quote shall be binding upon and inure to the benefit of the parties and their successors and assigns.

10. Counterparts; Electronic Transmission. This Quote, any invoice, and any other agreement between the parties, may be executed in counterparts, each of which shall constitute an original. The facsimile or other electronic transmission of any signed original document, and retransmission of any signed facsimile or other electronic transmission, shall be the same as the transmission of an original. At the request of either party, the parties will confirm facsimile or other electronically transmitted signatures by signing an original document.



NEW PLAYGROUND ADDITION

EXISTING PLAYGROUND



EXISTING PLAYGROUND THIS END



EXISTING PLAYGROUND

NEW PLAYGROUND ADDITION

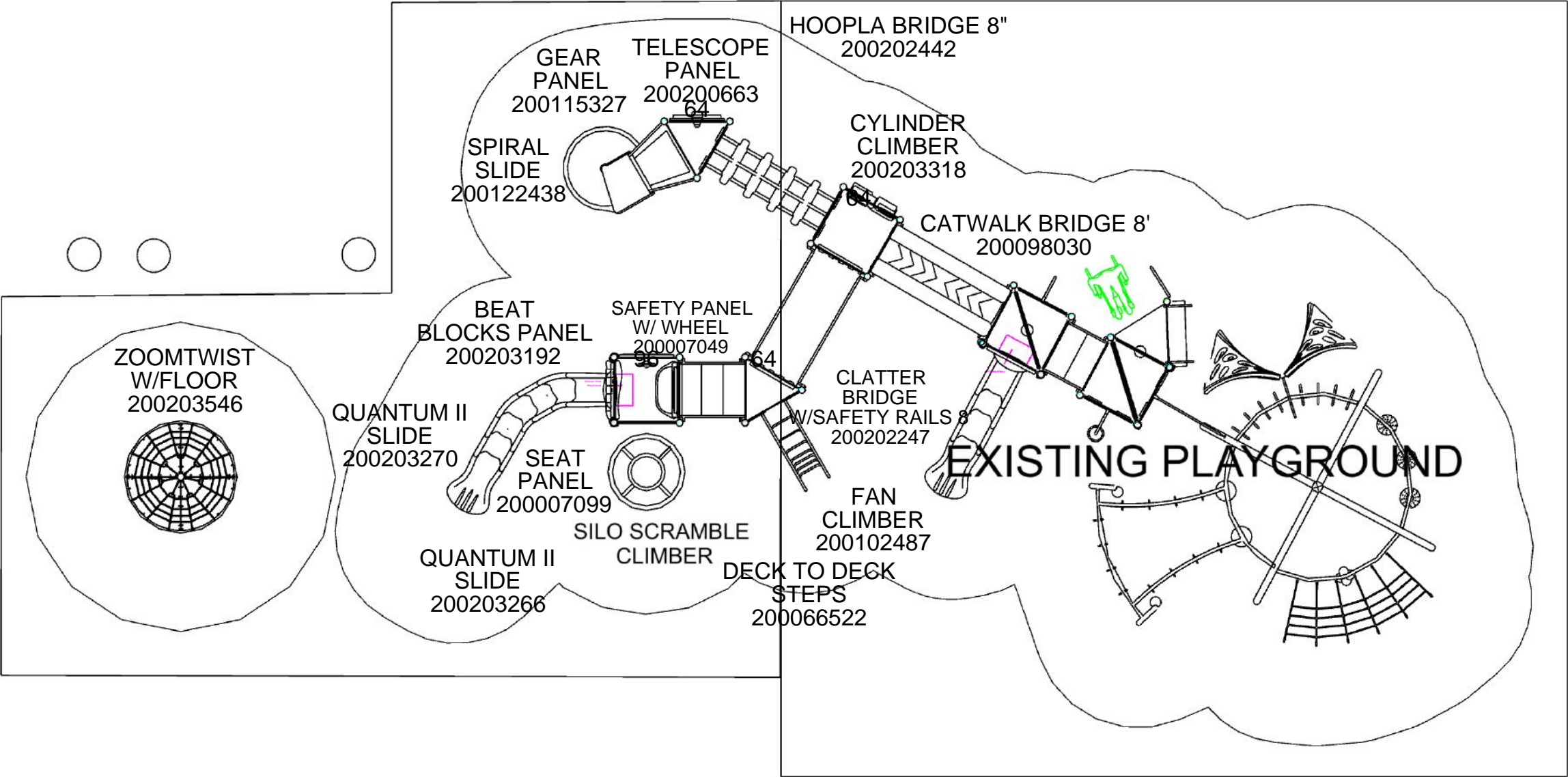
GENERAL NOTES

AGE GROUP

☐ 2-5YRS ☒ 5-12YRS ☐ 2-12YRS ☐ 13YRS

- 1. THE AMERICANS WITH DISABILITIES ACT (ADA) MAY REQUIRE THAT YOU MAKE YOUR PARK AND/OR PLAYGROUND ACCESSIBLE WHEN VIEWED IN ITS ENTIRETY. PLEASE CONSULT YOUR LEGAL COUNSEL TO DETERMINE IF THE ADA APPLIES TO YOU.
- 2. FOR PLAYGROUND EQUIPMENT TO BE CONSIDERED ACCESSIBLE ACCESSIBLE SURFACING MUST BE UTILIZED IN APPLICABLE AREAS.
- 3. ALTHOUGH A PARTICULAR PLAYGROUND DESIGN MY NOT MEET THE PROPOSED ACCESS BOARD REGULATIONS IN REGARDS TO THE APPROPRIATE NUMBER OF GROUND LEVEL EVENTS THE ACTUAL PLAYGROUND MAY BE IN COMPLIANCE WHEN CONSIDERING EXISTING PLAY COMPONENTS.
- 4. ALL DECK HEIGHTS ARE MEASURED FROM TOP OF GROUND COVER.
- 5. FALL ABSORBING GROUND COVER IS REQUIRED UNDER AND AROUND ALL PLAY EQUIPMENT.
- 6. THE MINIMUM RECOMMENDED FALL ZONE AROUND THE ENTIRE PLAYSTRUCTURE IS SHOWN. THIS ZONE IS TO BE FREE OF ALL TRIPPING OR COLLISION HAZARDS (I.E. ROOTS ROCKS BORDER MATERIAL ETC.).
- 7. ALL POST LENGTHS ARE IDENTIFIED BY TEXT SHOWING THE POST LENGTHS I.E. 96 REPRESENTS A 96 INCH POST.
- 8. NOT ALL EQUIPMENT MAY BE APPROPRIATE FOR ALL CHILDREN. SUPERVISION IS REQUIRED.

AGE GROUP: 5-12_ASTM			
ELEVATED PLAY ACTIVITIES - TOTAL: 13			
ELEVATED PLAY ACTIVITIES ACCESSIBLE BY TRANSFER:	11	REQ'D	7
ELEVATED PLAY ACTIVITIES ACCESSIBLE BY RAMP:	0	REQ'D	0
GROUND LEVEL ACTIVITY TYPE:	7	REQ'D	3
GROUND LEVEL QUANTITY:	9	REQ'D	4



PROJECT:
Ascent W Jordan Opt 2
West Jordan, UT

LTCPS REP:
Chelle Feidler
PRIMARY PARK AND PLAY, LLC
801-855-6213

GROUND SPACE: 80'-6" x 34'-6"
PROTECTIVE AREA: 92' x 44'-6"

DRAWN BY: Chelle Feidler
DATE: 10/27/2025
PROJECT: 25017162

LTCPS - FARMINGTON
878 EAST HIGHWAY 60
MONETT MO 65708
VOICE: 1-800-325-8828
FAX: 417-354-2273

PLAYGROUND LAYOUT COMPLIANCE:

- ☒ ASTM F1487 - PLAYGROUND EQUIPMENT FOR PUBLIC USE
- ☒ CPSC HANDBOOK FOR PUBLIC PLAYGROUND SAFETY

☒ THIS PLAYGROUND DESIGN MEETS THE FINAL ACCESS BOARD REGULATION.



THE PLAY COMPONENTS IDENTIFIED IN THIS PLAN ARE IPEMA CERTIFIED. THE USE AND LAYOUT OF THE COMPONENTS CONFORM TO THE REQUIREMENTS OF ASTM F1487.

WARRANTY

Little Tikes Commercial warrants its products against structural failure due to defects in materials and workmanship for the warranty periods and material categories prescribed below.

Buyer agrees that products sold by PPLT Farmington, Inc. (PlayPower Little Tikes Commercial) carry only the following warranties:

1. LIMITED WARRANTY FOR AS LONG AS YOU OWN THE PRODUCT: Aluminum deck posts, steel deck posts, stainless steel hardware, cast aluminum parts, and KidBuilder® steel clamps.

2. LIMITED FIFTEEN (15) YEAR WARRANTY: All rigid steel playground components, decks, steps, and weldments, rotationally molded and sheet plastic components, plastic lumber, roof panels, and stainless steel slides, except as otherwise specified below.

3. LIMITED TEN (10) YEAR WARRANTY: Fabric shade steel frames, Naturtek™ products, Shadesure™ and Colourshade FR fabrics (Note Exception: Limited Five (5) Year Warranty on Shadesure™ fabrics in colors Red, Yellow, Electric Purple, Zesty Lime, Cinnamon, and Olive.)

4. LIMITED EIGHT (8) YEAR WARRANTY:

- Fiberglass signage, precast PolyFiberCrete or precast concrete products.
- Integrated Shade fabric and components against rot, UV deterioration and defects in materials and workmanship (Note Exception: Limited Three (3) Year Warranty for fabric in shade of red).

5. LIMITED FIVE (5) YEAR WARRANTY:

- Clever Climbers™ products, including, but not limited to polyethylene slides, enclosures, main structure, decks, and plastic components.
- PVC coating and PE coating against cracking or peeling.
- Park and Site Amenities (i.e. benches, tables, trash receptacles, etc.).
- GFRP (Glass Fiber Reinforced Polymer) Products.
- Steel core cable nets and rope fittings and connections (Note Exception: Warranty does not cover normal wear and tear such as fraying or facing of cable coating).
- Accessible swing seats latch and hinge mechanism.
- Concerto products (Note Exception: Warranty does not cover mallets or Tall Chime cable assemblies).

6. LIMITED THREE (3) YEAR WARRANTY: KidTiles®, Playground Sculptures, products flexible belting, plastic border timbers and accessories, and electronic panel speakers, sound chips, and circuit boards.

7. LIMITED ONE (1) YEAR WARRANTY:

- Learning Lab Sensory Tables and Tot Tree plastic components.
- Belt Swing Seats, and Bucket Tot Swing Seats.
- All other products, components and custom pieces that are not specifically listed above, including, without limitation, all moving parts, such as swing hangers and bearings, swivels, chains, whirls, springs and flexible components, and all high wear items, such as trolleys, cables, wheels, and bumper stops related to rail and cable ride products.

8. LIMITED SIX (6) MONTH WARRANTY:

- PlaySoleil™ solar-powered light.

BUYER'S REMEDY: If any products prove defective or non-conforming under normal use and within the above-prescribed warranty periods and material categories, Buyer must promptly notify Little Tikes Commercial in writing at 878 E. Hwy 60, Monett, MO 65708 USA. Little Tikes Commercial does not warrant that any particular color will be available for any period of time, and reserves the right to discontinue any color for any reason, without recourse by the Purchaser or Owner of the discontinued color. Little Tikes Commercial may elect to inspect the alleged defect at Buyer's site or at Little Tikes Commercial's facility. Buyer shall not return products to Little Tikes Commercial unless authorized by Little Tikes Commercial to do so.

Authorized returns must be properly packaged and shipped prepaid and insured, at Buyer's expense. Upon verification of warranty coverage, Little Tikes Commercial may elect, in its sole discretion, to repair defective or non-conforming products, or replace them by delivering products or part(s) of similar functionality free of charge to the site. Little Tikes Commercial's limited warranties do not cover the cost of labor to remove defective or non-conforming part(s) or to install repaired or replacement part(s). By use of these limited warranties, Buyer accepts their terms and limitations, and waives any rights it would otherwise have to claim or assert that such warranties fail of their essential purpose. Buyer agrees that venue for any court action to enforce these limited warranties shall be in Barry or Greene Counties in the State of Missouri.

LIMITATIONS: All warranty periods begin on the date of Little Tikes Commercial's invoice. Repaired and/or replacement part(s) are warranted only for the balance of the original limited warranty period. Warranties extend only to the original Buyer/end user for products purchased from Little Tikes Commercial or a Little Tikes Commercial authorized reseller and are not transferable.

Warranties apply only to Little Tikes Commercial products that are erected and installed in conformance with Little Tikes Commercial's installation instructions, and that are maintained and inspected in conformance with Little Tikes Commercial maintenance and operational instructions.

Warranties specifically do not cover Little Tikes Commercial products:

- for cosmetic damage or flaws occurring under normal use, such as surface scratches, minor chips, hairline cracks, dents, marring, efflorescence, color fade (except for shade fabric as noted above), discoloration, corrosion/rust, fraying, or warping of recycled plastic lumber;
- that have been modified, altered, or repaired by unauthorized third parties;
- that have not been used as designed or intended, or misused;
- to which non-Little Tikes Commercial parts have been added or substituted;
- that have been removed from their original location and re-installed elsewhere, without pre-approval by Little Tikes Commercial;
- or that have been damaged due to excessive wear and tear, vandalism, abnormal use, abuse, negligence, environmental factors (such as wind-blown sand, salt spray, or airborne emissions from industrial sources), extreme weather (such as hail, flooding, lightning, tornados, sandstorms, earthquakes, or wind storms), and acts of God.

Little Tikes Commercial does not warrant that any particular color will be available for any specific period of time, and reserves the right, in its sole discretion, to discontinue any color for any reason.

THE FOREGOING LIMITED WARRANTY IS THE SOLE AND EXCLUSIVE WARRANTY FOR SELLER'S PRODUCTS, AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, IN LAW OR IN FACT. SELLER SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE OR PURPOSE, AND ANY IMPLIED WARRANTIES ARISING OUT OF COURSE OF DEALING OR PERFORMANCE OR TRADE USAGE. SELLER SHALL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, SPECIAL, OR PUNITIVE DAMAGES, OR ANY LOSS OF REVENUE, PROFIT OR USE, ARISING OUT OF A BREACH OF THIS WARRANTY OR IN CONNECTION WITH THE SALE, INSTALLATION, MAINTENANCE, USE, OPERATION OR REPAIR OF ANY PRODUCT. IN NO EVENT WILL SELLER BE LIABLE FOR ANY AMOUNT GREATER THAN THE PURCHASE PRICE OF A DEFECTIVE PRODUCT.

Bullying & Hazing Policy

Adopted: December 11, 2013

Revised: _____

Deleted: October 29, 2024

Purpose

The purpose of this policy is to prohibit bullying, cyber-bullying, hazing, retaliation, and abusive conduct involving Ascent Academies of Utah (the "School") students and employees. The School's Board of Directors (the "Board") has determined that a safe, civil environment in School is necessary for students to learn and achieve high academic standards and that conduct constituting bullying, cyber-bullying, hazing, retaliation, and abusive conduct disrupts both a student's ability to learn and the School's ability to educate its students in a safe environment.

Policy

Prohibited Conduct

Bullying, cyber-bullying, hazing, retaliation, and abusive conduct towards students and employees are against federal, state, and local policy and are not tolerated by the School. The School is committed to providing all students with a safe and civil environment in which all members of the School community are treated with dignity and respect. To that end, the School has in place policies, procedures, and practices that are designed to reduce and eliminate this conduct – including, but not limited to, civil rights violations – as well as processes and procedures to deal with such incidents. Bullying, cyber-bullying, hazing, retaliation, and abusive conduct towards students and/or employees by students and/or employees will not be tolerated in the School. Likewise, abusive conduct by students or parents or guardians against School employees is prohibited by the School and will not be tolerated in the School.

In order to promote a safe, civil learning environment, the School prohibits all forms of bullying of students and School employees (a) on School property, (b) at a School-related or sponsored event, or (c) while the student or School employee is traveling to or from School property or a School-related or sponsored event.

The School prohibits all forms of bullying, cyber-bullying, hazing, abusive conduct of or retaliation against students and School employees at any time and any location.

Students and School employees are prohibited from retaliating against any student, School employee or an investigator for, or witness of, an alleged incident of bullying, cyber-bullying, hazing, abusive conduct, or retaliation.

Students and School employees are prohibited from making false allegations of bullying, cyber-bullying, hazing, abusive conduct, or retaliation against a student or School employees.

Students and School employees are prohibited from sharing a recording of an act of bullying, cyber-bullying, hazing, abusive conduct, and retaliation in order to impact or encourage future incidents.

Students and School employees are prohibited from creating or distributing sexually explicit or nonconsensual intimate images.

In addition, School employees, coaches, sponsors and volunteers shall not permit, condone or tolerate any form of hazing, bullying, cyber-bullying, or abusive conduct and shall not plan, direct, encourage, assist, engage or participate in any activity that involves hazing, bullying, cyber-bullying, or abusive conduct.

Any bullying, cyber-bullying, hazing, abusive conduct, or retaliation that is found to be targeted at a federally protected class is further prohibited under federal anti-discrimination laws and is subject to OCR compliance regulations.

Definitions

Abusive Conduct – For purposes of this policy, “abusive conduct” means verbal, nonverbal, or physical conduct of a parent or guardian or student directed toward a School employee that, based on its severity, nature, and frequency of occurrence, a reasonable person would determine is intended to cause intimidation, humiliation, or unwarranted distress. A single act does not constitute abusive conduct.

Action Plan – For purposes of this policy, “action plan” means a process to address an incident of bullying, cyber-bullying, hazing, or retaliation.

Bullying – For purposes of this policy, “bullying” means student bullying and staff bullying.

Civil Rights Violations – For purposes of this policy, “civil rights violations” means violations as outlined in the following federal laws:

- (1) Title VI of the Civil Rights Act of 1964 (prohibits discrimination on the basis of race, color, or national origin);
- (2) Title IX of the Education Amendments of 1972 (prohibits discrimination on the basis of sex);
- (3) Section 504 of the Rehabilitation Act of 1973 (prohibits discrimination on the basis of disability); or
- (4) Title II of the Americans with Disabilities Act (prohibits discrimination on the basis of disability).

Deleted: as described in Utah Code § 53G-9-605.5

Deleted: a School employee or student intentionally committing a written, verbal, or physical act against a School employee or student that a reasonable person under the circumstances should know or reasonably foresee will have the effect of:

(1) causing physical or emotional harm to the School employee or student;

(2) causing damage to the School employee's or student's property;

(3) placing the School employee or student in reasonable fear of:

(a) harm to the School employee's or student's physical or emotional well-being; or

(b) damage to the School employee's or student's property;

(4) creating a hostile, threatening, humiliating, or abusive educational environment due to:

(a) the pervasiveness, persistence, or severity of the actions; or

(b) a power differential between the bully and the target; or

(5) substantially interfering with a student having a safe school environment that is necessary to facilitate educational performance, opportunities, or benefits.

This conduct constitutes bullying, regardless of whether the person against whom the conduct is committed directed, consented to, or acquiesced in, the conduct. In addition, bullying is commonly understood as aggressive behavior that is intended to cause distress and harm; exists in a relationship in which there is an imbalance of power and strength; and is repeated over time.

Bullying may also include relational aggression or indirect, covert, or social aggression, including rumor spreading, intimidation, enlisting a friend to assault a child, and social isolation

Deleted: bullying, cyber-bullying, harassment, abusive conduct, or hazing that is targeted at a federally protected class

Cyber-bullying – For purposes of this policy, "cyber-bullying" means using the Internet, a cell phone, or another device to send or post text, video, or an image with the intent or knowledge, or with reckless disregard, that the text, video, or image will hurt, embarrass, or threaten an individual, regardless of whether the individual directed, consented to, or acquiesced in the conduct, or voluntarily accessed the electronic communication.

Hazing – For purposes of this policy, "hazing" means a School employee or student intentionally, knowingly, or recklessly committing an act or causing another individual to commit an act toward a School employee or student that:

- (1) (a) endangers the mental or physical health or safety of a School employee or student;
(b) involves any brutality of a physical nature, including whipping, beating, branding, calisthenics, bruising, electric shocking, placing of a harmful substance on the body, or exposure to the elements;
(c) involves consumption of any food, alcoholic product, drug, or other substance or other physical activity that endangers the mental or physical health and safety of a School employee or student; or
(d) involves any activity that would subject a School employee or student to extreme mental stress, such as sleep deprivation, extended isolation from social contact, or conduct that subjects a School employee or student to extreme embarrassment, shame, or humiliation; and
- (2) (a)(i) is committed for the purpose of initiation into, admission into, affiliation with, holding office in, or as a condition for membership in a School or School sponsored team, organization, program, club, or event; or
(ii) is directed toward a School employee or student whom the individual who commits the act knows, at the time the act is committed, is a member of, or candidate for membership in, a School or School sponsored team, organization, program, club, or event in which the individual who commits the act also participates.
- (3) The conduct described above constitutes hazing, regardless of whether the School employee or student against whom the conduct is committed directed, consented to, or acquiesced in, the conduct.

Incident – For purposes of this policy, "incident" means a verified incident of bullying, cyber-bullying, hazing, abusive conduct, or retaliation that is prohibited in Utah Code § 53G-9-601 *et seq.*

Retaliate or Retaliation – For purposes of this policy, "retaliate or retaliation" means an act or communication intended:

- (1) as retribution against a person for reporting bullying or hazing; or

Deleted: Federally protected class – For purposes of this policy, "federally protected class" means any group protected from discrimination under federal law, such as:

- (1) Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, or national origin.
- (2) Title IX of the Education Amendments of 1972, which prohibits discrimination on the basis of sex.
- (3) Section 504 of the Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability.
- (4) Other areas included under these acts which include religion, gender, and sexual orientation.

- (2) to improperly influence the investigation of, or the response to, a report of bullying or hazing.

School Employee – For purposes of this policy, “School employee” means an individual working in the individual’s official capacity as:

- (1) a School teacher;
- (2) a School staff member;
- (3) a School administrator; or
- (4) an individual:
 - (a) who is employed, directly or indirectly, by the School; and
 - (b) who works on the School’s campus(es).

Staff Bullying – For purposes of this policy, “staff bullying” means a School employee, with the intent to cause harm, repeatedly committing a written, verbal, or physical act against a student or another School employee, or engaging in a single egregious act toward another employee involving an imbalance of power, that:

- (1) creates an environment that a reasonable person would find hostile, threatening, or humiliating; and
- (2) substantially interferes with a student’s or employee’s educational or professional performance, opportunities, or benefits.

Student Bullying – For purposes of this policy, “student bullying” means one or more students, with the intent to cause harm, repeatedly committing a written, verbal, or physical act against another student, or engaging in a single egregious act toward another student involving an imbalance of power, that:

- (1) creates an environment that a reasonable person would find hostile; and
- (2) interferes with a student’s educational performance, opportunities, or benefits.

“Student bullying” and “staff bullying” do not mean instances of:

- (1) ordinary teasing, horseplay, argument, or peer conflict;
- (2) reasonable correction of behavior by a School employee; or
- (3) reasonable coaching strategies and techniques by a School employee who is a coach.

Verification – For purposes of this policy, “verification” means that an alleged incident has been found to be substantiated through a formal investigation process done by the School as outlined in this policy.

Volunteer – For purposes of this policy, “volunteer” means a non-employee with significant, unsupervised access to students in connection with a School assignment.

Reporting Prohibited Conduct

Students who have been subjected to or witnessed bullying, cyber-bullying, hazing, or retaliation, and students who have witnessed abusive conduct, must promptly report such prohibited conduct to any School personnel orally or in writing. School personnel who receive reports of such prohibited conduct must report them to the Campus Director.

School employees who have been subjected to or witnessed hazing, bullying, cyber-bullying, abusive conduct, or retaliation must report such prohibited conduct to the School's Campus Director orally or in writing.

Each report of prohibited conduct shall include:

- (1) the name of complaining party;
- (2) the name of person subjected to the prohibited conduct (if different than complaining party);
- (3) the name of perpetrator (if known);
- (4) the date and location of the prohibited conduct; and
- (5) a statement describing the prohibited conduct, including names of witnesses (if known).

In connection with a report of prohibited conduct, students and School employees may request that their identity be kept anonymous, and reasonable steps shall be taken by the Campus Director and others involved in the reporting and investigation to maintain the anonymity of such individuals, if possible. School employees must take strong responsive action to prevent retaliation, including assisting students who are subjected to prohibited conduct and his or her parents or guardians in reporting subsequent problems and new instances of prohibited conduct.

The Campus Director or his/her designee shall promptly make a reasonably thorough investigation of all complaints of prohibited conduct, including, to the extent possible, anonymous reports, and shall, in accordance with the Consequences of Prohibited Behavior section below, administer appropriate discipline to all individuals who violate this policy. Formal disciplinary action is prohibited based solely on an anonymous report.

The Campus Director may report to OCR all incidents of bullying, hazing, cyber-bullying, abusive conduct, or retaliation that he/she reasonably determines may be violations of a student's or employee's civil rights.

It is the School's policy, in compliance with state and federal law, that students have a limited expectation of privacy on the School's computer equipment and network system, and routine monitoring or maintenance may lead to discovery that a user has violated

School policy or law. Also, individual targeted searches will be conducted if there is reasonable suspicion that a user has violated policy or law. Personal electronic devices of any student suspected of violation of this policy will be confiscated for investigation and may be turned over to law enforcement.

Investigation of Alleged Incidents

The School will investigate all allegations of bullying, cyber-bullying, hazing, retaliation, and abusive conduct in accordance with this policy and applicable law. The Campus Director or his/her designee will investigate such allegations, and the School shall ensure that the investigator is provided adequate training to conduct such an investigation. The Lead Director or his/her designee will be the point person with training and expertise to assist, direct, and supervise training of other employees in the responsibilities set forth in this paragraph.

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The School will investigate these alleged incidents by interviewing:

(1) the individual who was allegedly targeted;

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(2) the individual who is alleged to have engaged in the prohibited conduct;

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(3) the parents or guardians of the students who were allegedly targeted and the individual who is alleged to have engaged in prohibited conduct;

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(4) any witnesses;

(5) School staff familiar with the student who was allegedly targeted;

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(6) School staff familiar with the individual who is alleged to have engaged in prohibited conduct; or

(7) Other individuals who may provide additional information.

The individual who investigates an alleged incident will inform an individual being interviewed that (1) to the extent allowed by law, the individual is required to keep all details of the interview confidential; and (2) further reports of bullying will become part of the review. However, the confidentiality requirement described in this paragraph does not apply to conversations with law enforcement, requests for information pursuant to a warrant or subpoena, a state or federal reporting requirement, or other reporting required by R277-613.

In conducting this investigation, the School may (1) review disciplinary reports of involved students; and (2) review physical evidence, including video or audio, notes, email, text messages, social media, or graffiti.

The School will report alleged incidents of bullying, cyber-bullying, hazing, retaliation, and abusive conduct to law enforcement when the administrator reasonably determines that the alleged incident may have violated criminal law.

The School shall follow up with the parents or guardians of all parties to:

- (1) inform parents or guardians when an investigation is concluded;
- (2) inform parents or guardians what safety measures will be in place for their child, as determined by the investigation;
- (3) provide additional information about the investigation or the resolution consistent with the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. 1232g ("FERPA"); and
- (4) inform parents or guardians of the School's Parent Grievance Policy if the parents or guardians disagree with the resolution of the investigation.

If the investigation results in a verification of an incident of bullying, cyber-bullying, hazing, retaliation, or abusive conduct, the School shall create and implement an action plan for each such incident in accordance with Utah Code § 53G-9-605.5 and R277-613.

In addition, following verification of an incident of bullying, cyber-bullying, hazing, retaliation, or abusive conduct, the administrator may, if he/she determines it is appropriate:

- (1) use accountability practices in accordance with policies established by the School; and
- (2) provide supportive services designed to preserve the student's access to educational opportunities and a sense of safety.

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However, a student to whom an incident of bullying, cyber-bullying, hazing, retaliation, or abusive conduct is directed is not required to participate in a restorative justice practice with an individual who is alleged to have engaged in prohibited conduct. If the School would like any student to participate in a restorative justice practice, the School will notify the student's parent or guardian of the restorative justice practice and obtain consent from the student's parent or guardian before including the student in the process.

Parental Notification

The Campus Director or his/her designee will timely notify a student's parent or guardian if:

- (1) the student threatens suicide; or

- (2) the student is involved in an incident (including if the student is subjected to the incident or is the person who caused the incident) and of the action plan to address the incident.

The Campus Director or his/her designee will attempt to contact the parent or guardian by telephone to provide this notification and to discuss the matter. If the parent or guardian is not available by telephone, the Campus Director or his/her designee will provide the parent or guardian the required notification by email.

The Campus Director or his/her designee will produce and maintain a record that:

- (1) verifies that the School notified each parent or guardian as required above. If an in-person meeting takes place, the Campus Director or his/her designee may ask the parent or guardian to sign the record acknowledging that the notification was provided. If a telephone conversation takes place, the Campus Director or his/her designee may document on the record such details as the date and time of the telephone call, who was spoken to, and brief notes regarding the notification that was provided and the content of the conversation. If an email is sent, the Campus Director or his/her designee will retain a copy of the email; and
- (2) tracks implementation of the action plan addressing the incident, if applicable.

The School will retain the record for at least as long as the student is enrolled at the School and will provide or expunge the record in accordance with Utah Code § 53G-9-604. The School will maintain the confidentiality of the record in accordance with the state and federal student data privacy laws referenced in Utah Code § 53G-9-604.

In addition to notifying the parent or guardian as set forth above, the Campus Director or his/her designee will provide the parent or guardian with the following:

- (1) suicide prevention materials and information as recommended by the Utah State Board of Education in accordance with Utah Code § 53G-9-604(2)(b);
- (2) information on ways to limit a student's access to fatal means, including firearms or medication; and
- (3) information and resources on the healthy use of social media and online practices as provided in R277-613.

Action Plan to Address Incidents

Following verification of an incident of bullying, cyber-bullying, hazing, retaliation, or abusive conduct, the School shall develop and implement an action plan. The action plan shall include:

- (1) with respect to the targeted student, and in direct coordination with the student's parent or guardian:
 - (a) a tailored response to the incident that addresses the student's needs;

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- (b) a mechanism to consider consequences or accommodations the student may need regarding decreased exposure or interactions with the student who caused the incident;
- (c) notification of the consequences and plan to address the behavior of the student who caused the incident, to the extent allowed by FERPA;
- (d) support measures designed to preserve the student's access to educational services and opportunities; and
- (e) to the extent available, access to other resources the parent requests for the student; and

- (2) with respect to the student who caused the incident and in direct coordination with the student's parent or guardian:
 - (a) a range of tailored and appropriate consequences, making reasonable effort to preserve the student's access to educational services and activities;
 - (b) a process to determine and provide any needed resources related to the underlying cause of the incident;
 - (c) supportive measures designed to preserve the student's access to educational services and opportunities while protecting the safety and well-being of other students; and
 - (d) a process to remove the student from School in an emergency situation, including a description of what constitutes an emergency.

The School may not include in an action plan a requirement that the student to whom the incident was directed change the student's:

- (1) educational schedule or placement; or
- (2) participation in a School sponsored sport, club, or activity.

The School shall try to involve the parent or guardian of a student who was involved in an incident of bullying, cyber-bullying, hazing, retaliation, or abusive conduct in the development and implementation of an action plan. However, if, after the School attempts to involve a parent or guardian in the development and implementation of an action plan, the parent or guardian chooses to not participate in the process, the School may develop and implement an action plan without the parent or guardian's involvement.

The School shall communicate with the parent or guardian of each student involved in an incident of bullying, cyber-bullying, hazing, retaliation, or abusive conduct about the implementation of the action plan. Specifically, the School shall provide regular updates on the implementation of the action plan to each such parent or guardian. The updates shall include:

- (1) the outcome of the School's investigation (if not already provided at the conclusion of the investigation);
- (2) a discussion of safety considerations for the student who is the subject of the incident; and

(3) an explanation of the School's process for addressing the incident.

The Campus Director or his/her designee shall oversee the implementation of the action plan, monitor the implementation of the communication plan/requirements within the action plan, and assist the School with case-specific needs when the School is addressing an incident of bullying, cyber-bullying, hazing, retaliation, or abusive conduct.

Consequences of Prohibited Behavior

If, after an investigation, a student is found to be in violation of this policy by participating in or encouraging conduct prohibited by this policy, the student shall be disciplined by appropriate measures up to, and including, suspension and expulsion, pursuant to Utah Code § 53G-8-205 and School policy, removal from participation in School activities, and/or discipline in accordance with regulations of the U.S. Department of Education Office for Civil Rights (OCR).

If, after an investigation, a School employee is found to be in violation of this policy, the employee shall be disciplined by appropriate measures, which may include termination, reassignment or other appropriate action.

School officials have the authority to discipline students for off-campus or online speech that causes or threatens a substantial disruption to School operations, including violent altercations or a significant interference with a student's educational performance and involvement in School activities.

Grievance Process for School Employees

As explained above, a School employee who has experienced abusive conduct must report the abusive conduct to the Campus Director orally or in writing. If the School employee is not satisfied with the Campus Director's or designee's investigation of the abusive conduct and/or the resulting disciplinary action (or recommended disciplinary action) against the perpetrator, the School employee may address/raise the issue in accordance with the School's Staff Grievance Policy.

Grievance Process for Parents and Guardians

A parent or guardian of a student who caused an incident of bullying, cyber-bullying, hazing, retaliation, or abusive conduct may appeal one or more of the consequences included in an action plan in accordance with the School's Parent Grievance Policy.

Additional Provisions

The Lead Director and Campus Directors will ensure compliance with OCR regulations when civil rights violations are reported, as follows:

- (1) Once the School knows or reasonably should know of possible student-on-student bullying, cyber-bullying, or hazing, the School must take immediate and appropriate action to investigate.
- (2) If it is determined that the bullying, cyber-bullying, or hazing of a student did occur as a result of the student's membership in a protected class, the School shall take prompt and effective steps reasonably calculated to:
 - (a) end the bullying, cyber-bullying, or hazing
 - (b) eliminate any hostile environment, and
 - (c) prevent its recurrence.
- (3) These duties are the School's responsibilities even if the misconduct is also covered by a separate anti-bullying policy and regardless of whether the student makes a complaint, asks the School to take action, or identifies the bullying, cyber-bullying, or hazing as a form of discrimination.

The Campus Director will take reasonable steps to ensure that any person subjected to prohibited conduct will be protected from further hazing, bullying, cyber-bullying, abusive conduct, and retaliation and that any student or School employee who reports such prohibited conduct will be protected from retaliation.

If the Campus Director believes that any person who was subjected to or who caused conduct prohibited by this policy would benefit from counseling, the Campus Director may refer such individuals for counseling.

If the Campus Director believes that it would be in the best interests of the individuals involved, the Campus Director may involve the parents or guardians of a student who was subjected to or a student who caused hazing, bullying, cyber-bullying, or retaliation in the process of responding to and resolving conduct prohibited by this policy.

Incidents of bullying, cyber-bullying, hazing, and retaliation will be reported in the School's student information system as required.

Student Assessment

The Campus Director or his/her designee will assess the prevalence of bullying, cyber-bullying, hazing, and retaliation in the School, specifically locations where students are unsafe and additional adult supervision may be required, such as playgrounds, hallways, and lunch areas.

Training

The Lead Director will ensure that School students, employees, coaches, and volunteers receive training on bullying, cyber-bullying, hazing, retaliation, and abusive conduct from individuals qualified to provide such training. The training shall meet the

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standards established by the Utah State Board of Education's rules and include information on:

- (1) bullying, cyber-bullying, hazing, abusive conduct, and retaliation;
- (2) discrimination under the following federal laws:
 - (a) Title VI of the Civil Rights Act of 1964;
 - (b) Title IX of the Education Amendments of 1972;
 - (c) Section 504 of the Rehabilitation Act of 1973; and
 - (d) Title II of the Americans with Disabilities Act of 1990;
- (3) how bullying, cyber-bullying, hazing, retaliation, and abusive conduct are different from discrimination and may occur separately from each other or in combination;
- (4) how bullying, cyber-bullying, hazing, retaliation, and abusive conduct are prohibited based upon race, color, national origin, sex, disability, or religion;
- (5) the right of free speech and how it differs for students, employees, and parents or guardians; and
- (6) safe digital citizenship.

The training will also complement the suicide prevention program required for students under R277-620 and the suicide prevention training required for licensed educators consistent with Section 53G-9-704(1), and also include information on when issues relating to R277-613 may lead to student or employee discipline.

The training shall be offered to:

- (1) new school employees, coaches, and volunteers within the first year of employment or service;
- (2) all School employees, coaches, and volunteers at least once every three years after the initial training; and
- (3) all students (regardless of whether they are involved in athletics or extracurricular activities or clubs) at a frequency determined by the Campus Director.

In addition to the training requirements described above, any student, employee, or volunteer coach participating in a School sponsored athletic program, both curricular and extracurricular, or extracurricular club or activity, shall, prior to participating in the athletic program or activity, participate in bullying, cyber-bullying, hazing, retaliation, and abusive conduct prevention training. This training shall be offered to new participants on an annual basis and to all participants at least once every three years. The School will inform student athletes and extracurricular club members of prohibited activities under R277-613 and potential consequences for violation of the law and the rule.

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The School will maintain training participant lists or signatures and provide them to the Utah State Board of Education upon request.

Liaison to Utah State Board of Education

The Lead Director or his/her designee shall act as the School's liaison to the Utah State Board of Education regarding bullying, cyber-bullying, hazing, abusive conduct, and retaliation.

Distribution of Policy and Signed Acknowledgement

The Lead Director will ensure that each informs students, parents or guardians, School employees, and volunteers that hazing, bullying, cyber-bullying, abusive conduct, and retaliation are prohibited by distributing a copy of this policy to such individuals annually. A copy of this policy will also be posted on the School's website and included in any student conduct or employee handbooks issued by the School.

On an annual basis, School employees, students who are at least eight years old, and parents or guardians of students shall sign a statement indicating that they have received this policy.

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Ascent Academies of Utah
Policy: Hotline Complaint Policy
Approved: _____, 20____

Purpose

The purpose of this policy is to outline, in accordance with Utah Administrative Code R277-123-7, how Ascent Academies of Utah (the “School”) responds to and resolves Utah State Board of Education (“USB”) public education hotline complaints received as referrals from the USB Internal Audit Department.

Policy

After the School receives a hotline complaint, if contact information for the complainant is available, designated School personnel will contact the complainant promptly and document (a) the School personnel that contacted the complainant; (b) the type of contact made (phone, email, etc.); (c) the date of the contact; and (d) the resolution of the concern or action steps to be taken.

The School will make at least two good faith attempts to contact a complainant when contact information is available.

The School will investigate, respond to, and attempt to resolve hotline complaints in accordance with the requirements set forth in R277-123-7 and School policy. If the School determines that a hotline complaint should have been addressed by way of the School’s applicable grievance policy, the School may inform the USB Internal Audit Department. To the extent allowed by R277-123 and applicable law, complainants should not use the hotline to bypass the School’s grievance policies.

Instructional Materials Policy

Adopted: March 23, 2023

Revised: November 10, 2025

Deleted: January 13, 2025

Purpose

The purpose of this policy is to establish the parameters by which Ascent Academies of Utah (the “School”) will select, approve, and purchase instructional materials. The purpose of this policy and accompanying procedures is to also set forth the School’s process for reviewing challenges to instructional materials.

Definitions

“Instructional materials” are the resources used by educators to deliver curriculum or support student learning. These materials may be commercially available or School-created and include such materials as textbooks, reading materials, videos, digital materials, websites, online applications, and live presentations. “Instructional materials” do not include learning material used in a concurrent enrollment, advanced placement, or international baccalaureate program or class, or another class with required instructional material that is not subject to selection by the School.

“Sensitive material” means an instructional material that constitutes objective sensitive material or subjective sensitive material. “Sensitive material” does not include the instructional material outlined in Utah Code § 53G-10-103(1)(h)(ii).

“Objective sensitive material” means an instructional material that constitutes pornographic or indecent material, as that term is defined in Utah Code §76-5c-208, under the non-discretionary standards described in Utah Code § 76-5c-207(1)(a)(i), or (ii), or (iii).

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“Subjective sensitive material” means an instructional material that constitutes pornographic or indecent material, as that term is defined in Utah Code §76-5c-208, under the following factor-balancing standards:

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- (a) material that is harmful to minors under Utah Code §76-5c-101;
- (b) material that is pornographic under Utah Code §76-5c-101; or
- (c) material that includes certain fondling or other erotic touching under Utah Code §76-5c-207(1)(a)(i)(C)-(D).

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“School community parent” means a parent who has a student currently attending the School, or will have a student enrolled in the School within one year, where the challenged instructional material is being reviewed in accordance with this policy and Utah Code § 53G-10-103(4).

“School setting” means the School’s classrooms, library, and property. “School setting” also includes School-sponsored or required activities, including assemblies, guest lectures, live presentations, or other events.

“Stakeholder” for purposes of this policy means:

- (a) an employee of the School;
- (b) a student who is enrolled in the School;
- (c) a parent of a child who is enrolled in the School; or
- (d) a member of the School’s Board of Directors.

Policy

The School shall comply with the requirements of Utah law and Utah State Board of Education (“USBE”) rule regarding the selection, approval, purchase, and review of instructional materials, including but not limited to Utah Administrative Code R277-468 and R277-469, Utah Code § 53G-10-103 and, when applicable, Utah Code § 53G-5-404.

The School’s purpose in managing the selection, approval, purchase, and review of instructional materials is to implement, enrich, and support the School’s educational program. It is also to prioritize protecting students from the harmful effects of illicit pornography over other considerations in evaluating instructional materials.

Criteria for Instructional Materials

Instructional materials should contribute to the intellectual development and positive character of students. Instructional materials used by the School shall:

- (a) be consistent with the Utah Core standards;
- (b) be consistent with the principles of individual freedom as defined in Utah Code § 53G-10-206;
- (c) not constitute sensitive material as defined in Utah Code § 53G-10-103;
- (d) not be prohibited discriminatory practice as described in Utah Code § 53B-1-118;
- and
- (e) comply with all other applicable state laws and USBE rules.

Selection and Approval of Instructional Materials by the Lead Director

The Board of Directors (the “Board”) delegates to the School Lead Director the authority and responsibility to select and approve instructional materials for the School, except under circumstances where the Board is specifically required by law or a different School policy to approve instructional materials.

The Lead Director shall select and approve instructional materials that meet the criteria set forth in this policy. When considering instructional materials, the Lead Director may review the USBE’s recommended instructional materials (RIMs), but the Lead Director is not required to select RIMs if there are other instructional materials available that meet the criteria set forth in this policy.

The Lead Director shall involve School community parents and instructional staff in the consideration of instructional materials. The Lead Director has discretion as to how to involve such parents and instructional staff in this process.

In the case of maintaining the library collection, the Lead Director may delegate the task to the Network Library Supervisor.

Selection and Approval of Instructional Materials by the Board

If the Board is required by law or School policy to approve instructional materials for use in the classroom, the Board shall do the following (in order) prior to approving the instructional materials:

- (a) post the recommended instructional materials online to allow for public review or, for copyrighted material, make the instructional materials available at the School for public review; and
- (b) hold at least two Board meetings where the recommended instructional materials is on the agenda and allow an opportunity at those Board meetings for School educators and parents of students enrolled in the School to express views and opinions on the recommended instructional material.

The Board may approve the recommended instructional materials in an open and regular Board meeting after the requirements above have been satisfied. The vote to approve the recommended instructional materials may occur at the second of the two Board meetings described in subsection (b) above.

In accordance with Utah Code § 53G-5-404(13), the requirements in this section apply only if the Board is approving instructional materials. The requirements do not apply if the Board is not approving instructional materials and instead only the Lead Director is selecting and approving instructional materials (which Utah Code § 53G-5-404(13) refers to as “learning material”). In addition, the requirements in this section do not apply to educators’ selection of supplemental materials or resources.

Any instructional materials approved by the Board shall meet the criteria set forth in this policy.

Purchase of Instructional Materials

The School shall follow its Purchasing and Disbursement Policy in connection with the purchase of any instructional materials, regardless of whether the instructional materials are selected and approved by the Lead Director or by the Board. The School shall identify all costs associated with instructional materials prior to purchasing the instructional materials, including any implementation and professional development costs.

Educator Selection of Additional Supplemental Materials or Resources

Despite the foregoing, educators at the School may select and use supplemental materials or resources in their classroom to augment instructional materials already selected and approved by the Lead Director or the Board so long as each of the following are satisfied:

- (a) the educator has reviewed the supplemental materials or resources in their entirety prior to using them in the classroom;
- (b) the supplemental materials or resources meet the criteria set forth in this policy; and
- (c) the supplemental materials or resources have not previously been prohibited by the Lead Director or the Board.

Contract Requirements

If the School contracts with a third party to provide online or digital materials, the School shall include in the contract a requirement that the provider give notice to the School any time that the provider makes a material change to the content of the online or digital materials, excluding regular informational updates on current events. The School shall also comply with applicable requirements in R277-469 related to School contracts with publishers for instructional materials.

Sensitive Material Review Procedures

Sensitive materials are prohibited in the School setting. In accordance with Utah law, USBE rule, and the School's administrative procedures, stakeholders may initiate a sensitive material review by the School if they feel an instructional material used by the School constitutes sensitive material.

The Lead Director shall establish administrative procedures that set forth how stakeholders may initiate a sensitive material review by the School and the review process the School will follow. The administrative procedures shall comply with applicable Utah law and USBE rule.

Administrative Procedures Sensitive Material Review

These procedures are established in accordance with the Instructional Materials Policy adopted by the School's Board of Directors.

Sensitive Material Review Process

Stakeholders may initiate a sensitive material review by the School if they feel an instructional material used by the School constitutes sensitive material.

However, notwithstanding the foregoing, if a stakeholder makes three unsuccessful challenges during a given academic year, that individual may not trigger a sensitive material review during the remainder of the given school year. An "unsuccessful challenge" means an allegation that a given instructional material constitutes sensitive material that the School concludes to be erroneous, either on direct review or on appeal to the Board, resulting in the retention of the given instructional material.

Stakeholders may allege that an instructional material used by the School constitutes sensitive material by submitting the Sensitive Material Review Request Form accompanying these procedures. Upon receipt of the completed form by a stakeholder, the School shall:

Step One – Initial Review

- (a)(i) Make an initial determination as to whether the allegation presents a plausible claim that the challenged instructional material constitutes sensitive material, including whether the allegation includes excerpts and other evidence to support the allegation. The Lead Director or Campus Director shall designate two or more School employees to make this initial determination for the School (the Lead Director or Campus Director can be one of the two employees if he/she desires); and
- (ii) If the School's initial determination is that that the allegation presents a plausible claim that the challenged instructional material constitutes sensitive material as described above, the School shall immediately remove the challenged material until the School completes the School's full review of the challenged material as set forth below;

Step Two – Objective Sensitive Material Standards Review (if necessary)

- (b)(i) If the School's initial determination is that the allegation presents a plausible claim that the challenged instructional material constitutes sensitive material, engage in a review of the allegations and the challenged instructional material using the objective sensitive material standards. The Lead Director or Campus Director shall designate three or more individuals to conduct this review, one of which must be a School

community parent (the School employees who conducted the initial review may also be designated to conduct this review); and

- (ii) If the School determines that the challenged instructional material constitutes objective sensitive material, the School shall ensure that the material remains inaccessible to students in any School setting;

Step Three - Subjective Sensitive Material Standards Review (if necessary)

(c) If, and only if, the School determines that the challenged instructional material does not constitute objective sensitive material, the School shall:

- (i) Review the allegations and the challenged instructional material under the subjective material standards to determine if an instructional material is subjective sensitive material. The Lead Director or Campus Director shall designate three or more individuals to conduct this review, but at least two of the individuals must be School community parents (the individuals who conducted the objective sensitive material standards review may also be designated to conduct this review, but at least two of the individuals must be School community parents);
- (ii) Allow student access to the challenged instructional material during the School's subjective sensitive material review if the student's parent gives consent regarding the specific challenged instructional material; and
- (iii) If the School determines that the challenged instructional material constitutes subjective sensitive material, ensure that the material is inaccessible to students in any School setting, including the termination of the parent consent option described above.

Miscellaneous Review Rules

Neither the individuals responsible for procurement of the challenged instructional materials nor the stakeholder who is challenging the instructional materials may serve on any of the review committees described in the steps above.

If the School requires a School employee to participate on a sensitive materials review committee requiring engagement outside of contract hours, the School shall compensate the employee for the employee's time participating on the committee.

Communication

Soon after the completion of a sensitive material review, the School shall communicate its final determination (regardless of in which step the final determination comes) in writing to the stakeholder who requested the review.

The School shall also communicate to the USBE each stakeholder sensitive material review request, the final determination by the School on each request, and the School's rationale for its final

determination on each request. The employee designated as the state sensitive materials contact for the LEA shall communicate this information to the USBE on behalf of the School using the form provided by the USBE:

- (a) within 30 school days of the final determination; or
- (b) if an appeal is in process, at the conclusion of the appeal.

Appeal

A stakeholder may appeal the School's decision to the Board regarding a sensitive material review by submitting to the Board President the Sensitive Material Appeal Request Form within fourteen days of receiving the School's decision. A stakeholder may file such an appeal regardless of whether the School removed or retained the challenged instructional material. The Board shall vote in a public board meeting to decide the outcome of a sensitive material review appeal. In the board meeting, the Board shall clearly identify:

- (a) the Board's rationale for its decision; and
- (b) the Board's determination on each component of the statutory and any additional policy standards used by the Board to reach the Board's conclusion.

Removing Instructional Materials That Constitute Sensitive Material

Removing Instructional Material if State Threshold is Met

In accordance with Utah Code § 53G-10-103(7), the School shall remove instructional material from student access upon being notified by the USBE that the following number of LEAs in the state have determined that the instructional material constitutes objective sensitive material:

- (a) at least three school districts; or
- (b) at least two school districts and five charter schools.

However, removal from student access under these circumstances is subject to the USBE voting to overturn the application of the statewide removal requirement with respect to the instructional material. If the USBE votes to overturn the application of the statewide removal requirement with respect to the instructional material, the statewide removal requirement no longer applies and the School may choose to return access to the instructional material to its students.

Removing Instructional Material After Sensitive Material Review

The School shall follow the applicable removal requirements described in Steps One through Three of the School's sensitive material review process. In addition, if at the completion of the sensitive

material review process the School makes a final determination that an instructional material constitutes sensitive material, the School shall permanently remove the instructional material.

Disposal of Instructional Material

When permanently removing instructional material because it constitutes sensitive material, the School shall:

- (a) physically remove the sensitive material from the School;
- (b) remove all access by students to the sensitive material;
- (c) communicate with the relevant vendors and publishers regarding the School's decision;
- (d) legally dispose of the sensitive material; and
- (e) not sell or distribute the sensitive material.

Sensitive Material Review Request Form

Information about Instructional Material Requested to be Reviewed:

- 1) Title:
- 2) Author:
- 3) Publisher:
- 4) School campus where this instructional material is used or can be accessed:
- 5) Do you believe this instructional material constitutes sensitive material as that term is defined in Utah Code § 53G-10-103? Yes No

Information about Requestor:

- 1) Name:
- 2) Phone:
- 3) Address:
- 4) Email:
- 5) Are you a student of Ascent Academies of Utah? Yes No
- 6) Are you a parent of a student of Ascent Academies of Utah? Yes No
- 7) Are you an employee of Ascent Academies of Utah? Yes No
- 8) Are you a board member of Ascent Academies of Utah? Yes No

Information about Review Request:

- 1) Was this instructional material recommended, assigned, used, or made available through the school? If so, please explain.

- 2) In your opinion, how does this instructional material constitute sensitive material? Please provide examples, page numbers, links, or other information to help in locating or identifying the content you believe qualifies as sensitive material. Please attach any images or other corroborating evidence. You may attach additional pages as needed.

Requestor's Signature: _____ Date: _____

After you submit this Form, you will receive an acknowledgment of receipt and an estimated timeline for when a decision will be made by the School. The School generally completes its review and makes its final decision between thirty to sixty (30-60) days after its receipt of a request for review.

Sensitive Material Appeal Request Form

Instructions:

A requestor must submit this Form along with a copy of the School's written decision on the sensitive material review request within fourteen (14) days of receiving the School's written decision.

Information about Requestor:

- 1) Name:
- 2) Phone:
- 3) Address:
- 4) Email:
- 5) Date you received the School's written decision on your sensitive material review request:
- 6) Are you a student of Ascent Academies of Utah? Yes No
- 7) Are you a parent of a student of Ascent Academies of Utah? Yes No
- 8) Are you an employee of Ascent Academies of Utah? Yes No
- 9) Are you a board member of Ascent Academies of Utah? Yes No

Information about Challenged Instructional Material:

- 1) Title:
- 2) Author:
- 3) Publisher:
- 4) School campus where this instructional material is used or can be accessed:

- 5) Please provide a written statement setting forth your rationale for appealing the School's decision regarding the challenged instructional material (attach additional pages as needed).

Requestor's Signature: _____ Date: _____

After you submit this Form, you will receive an acknowledgment of receipt and an estimated timeline for when a decision will be made by the Board in a public board meeting. The Board generally tries to make its decision at a public board meeting between thirty to sixty (30-60) days after its receipt of an appeal.

Paid Parental and Postpartum Recovery Leave

In accordance with Utah Code § 53G-11-209, the School offers qualified employees paid parental and postpartum recovery leave to enable employees to care for and bond with their new child and to recover from childbirth. This policy is effective July 1, 2025.

Definitions

For purposes of this policy:

“Parental leave” means leave hours the School provides to a parental leave eligible employee.

“Parental leave eligible employee” means a School employee who receives regular paid personal time off (PTO) benefits from the School and is:

- (a) a birth parent as defined in Utah Code § 78B-6-103;
- (b) legally adopting a minor child, unless the individual is the spouse of the pre-existing parent;
- (c) the intended parent of a child born under a validated gestational agreement in accordance with Title 81, Chapter 5, Part 8, Gestational Agreement;
- (d) appointed the legal guardian of a minor child or incapacitated adult; or
- (e) a foster parent of a minor child.

“Postpartum recovery leave” means leave hours the School provides to a postpartum recovery leave eligible employee to recover from childbirth that occurs at 20 weeks or greater gestation.

“Postpartum recovery leave eligible employee” means an employee:

- (a) who receives regular paid personal time off (PTO) benefits from the School; and
- (b) who gives birth to a child.

“Qualified employee” means:

- (a) a parental leave eligible employee; or
- (b) a postpartum recovery leave eligible employee.

“Retaliatory action” means to do any of the following regarding an employee:

- (a) dismiss the employee;
- (b) reduce the employee’s compensation;
- (c) fail to increase the employee’s compensation by an amount to which the employee is otherwise entitled to or was promised;
- (d) fail to promote the employee if the employee would have otherwise been promoted; or
- (e) threaten to take an action described immediately above.

Paid Parental Leave

The School allows a parental leave eligible employee to use up to three calendar weeks of paid parental leave for:

- (a) the birth of the parental leave eligible employee’s child;
- (b) the adoption of a child;
- (c) the appointment of legal guardianship of a child or incapacitated adult; or

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(d) the placement of a foster child in the parental leave eligible employee's care.

Parental leave as described above:

- (a) may not be used before the day on which:
 - (1) the parental leave eligible employee's child is born;
 - (2) the parental leave eligible employee adopts a child;
 - (3) the parental leave eligible employee is appointed legal guardian of a child or incapacitated adult; or
 - (4) a foster child is placed in the parental leave eligible employee's care;
- (b) may not be used more than six months after the date described immediately above;
- (c) ~~shall be used in a single continuous period,~~ unless:
 - (1) by mutual written agreement between the School and the parental leave eligible employee; or
 - (2) a health care provider certifies that intermittent leave is medically necessary due to a serious health condition of the child;
- (d) runs concurrently with FMLA leave, if applicable to the parental leave eligible employee; and
- (e) runs consecutively to postpartum recovery leave, if applicable to the parental leave eligible employee.

Deleted: may not be used intermittently

A parental leave eligible employee's paid parental leave does not increase if the parental leave eligible employee:

- (a) has more than one child born from the same pregnancy;
- (b) adopts more than one child;
- (c) has more than one foster child placed in the parental leave eligible employee's care; or
- (d) is appointed legal guardian of more than one child or incapacitated adult.

A parental leave eligible employee may not use more than three ~~calendar~~ weeks of paid parental leave within a single 12-month period, regardless of whether during that 12-month period the parental leave eligible employee:

- (a) becomes the parent of more than one child;
- (b) adopts more than one child;
- (c) has more than one foster child placed in the parental leave eligible employee's care; or
- (d) is appointed legal guardian of more than one child or incapacitated adult.

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Paid Postpartum Recovery Leave

The School allows a postpartum recovery leave eligible employee to use up to three ~~calendar~~ weeks of paid postpartum recovery ~~leave~~ for recovery from childbirth that occurs at 20 weeks or greater gestation.

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Postpartum recovery leave as described above:

- (a) shall be used starting on the day on which the postpartum recovery leave eligible employee gives birth, unless a health care provider certifies that an earlier start date is medically necessary;
- (b) shall be used in a single continuous period, unless otherwise authorized in writing by the Lead Director;

- (c) runs concurrently with FMLA leave, if applicable to the postpartum recovery leave eligible employee; and
- (d) runs consecutively to parental leave.

A postpartum recovery leave eligible employee's paid postpartum recovery leave does not increase if the postpartum recovery leave eligible employee has more than one child born from the same pregnancy.

Leave Period

The maximum amount of paid postpartum recovery leave available to qualified employees under this policy is three calendar weeks.

The maximum amount of paid parental leave available to qualified employees under this policy is three calendar weeks.

Any non-contracted workdays (such as holidays, days during summer break, etc.) that occur during a qualified employee's paid parental leave or paid postpartum recovery leave count toward the applicable three-calendar week leave period.

Notice of Plan to Take Leave

Qualified employees shall give the Campus Director or Lead Director notice at least 30 days before the day on which the qualified employee plans to:

- (a) begin using parental leave or postpartum recovery leave; and
- (b) stop using postpartum recovery leave.

If circumstances beyond the qualified employee's control prevent the qualified employee from giving notice as described above, the qualified employee shall give the School each notice described above as soon as reasonably practicable.

All such notices shall be reviewed by the Campus Director and Lead Director. If the employee providing notice does not meet the definition of a qualified employee under this policy (and is therefore not entitled to paid parental or postpartum recovery leave), the Campus Director or Lead Director shall inform the employee. Employees may be required to provide documentation supporting the need for parental or postpartum recovery leave.

Other Leave

Except with respect to FMLA leave, the School may not charge parental leave or postpartum recovery leave against a qualified employee's regular paid personal time off (PTO) or any other leave a qualified employee is entitled to under the School's leave policies.

Employee Benefits During Leave

During the time a qualified employee uses parental leave or postpartum recovery leave, the qualified employee shall continue to receive all employment related benefits and payments at the same level that the qualified employee received immediately before beginning the parental leave

or postpartum recovery leave, provided that the qualified employee pays any required employee contributions.

Employee Position after Leave

Following the expiration of a qualified employee's parental leave or postpartum recovery leave, the School shall ensure that the qualified employee may return to:

- (a) the position that the qualified employee held before using parental leave or postpartum recovery leave; or
- (b) a position within the School that is equivalent in seniority, status, benefits, and pay to the position that the qualified employee held before using parental leave or postpartum recovery leave.

Despite the foregoing, if during the time a qualified employee uses parental leave or postpartum recovery leave the School experiences a reduction in force and, as part of the reduction in force, the qualified employee's employment would have been terminated had the qualified employee not been using the parental leave or postpartum recovery leave, the School may terminate the qualified employee's employment in accordance with any applicable process or procedure as if the qualified employee were not using the parental leave or postpartum recovery leave. In addition, upon termination of a qualified employee's employment (for any reason), the employee is not entitled to be paid for any unused parental leave or postpartum recovery leave.

Retaliatory Action

The School may not interfere with or otherwise restrain a qualified employee from using parental leave or postpartum recovery leave in accordance with this policy. In addition, the School may not take retaliatory action against a qualified employee for using parental leave or postpartum recovery leave in accordance with Utah Code § 53G-11-209.

Part-Time Qualified Employees

In the event a qualified employee of the School is also a part-time employee, the employee shall be allowed to use the amount of parental leave or postpartum recovery leave available to the qualified employee under this policy on a pro rata basis.

POLICY SUMMARIES

Amending Bullying and Hazing Policy

SB 223 from the 2025 legislative session amended the definition of bullying and broke it down into “staff bullying” and “student bullying.” Both of these bullying definitions require repeated misconduct or a single egregious act that involves an imbalance of power. In light of SB 223, the USBE amended its bullying rule in R277-613 to not only incorporate the new definitions of staff bullying and student bullying, but to make other changes as well. These other changes include, but aren’t limited to, amending the definition of “civil rights violation,” prohibiting students and employees from creating or distributing sexually explicit or nonconsensual intimate images, and adding “safe digital citizenship” to the list of bullying and hazing topics schools must train on. The school’s Bullying and Hazing Policy has been revised to comply with the changes brought about by SB 223 and the revised rule in R277-613.

New Hotline Complaint Policy

R277-123 requires each school to have on its website a link to the school’s local education hotline or a link to the USBE’s public education hotline so that the public can report alleged violations. The school does not have its own local hotline but does have a link on its website to the USBE’s public education hotline. R277-123 also now requires each school to adopt a hotline complaint policy. Per R277-123, this policy must establish how a school will respond to hotline complaints and contain steps a school must go through when responding to such complaints. The proposed Hotline Complaint Policy tracks the requirements in R277-123. It also explains that if a hotline complaint received by the school should have been addressed via the school’s applicable grievance policy, the school may inform the USBE’s Internal Audit Department (the department who handles USBE hotline complaints). This policy emphasizes that complainants should not use the hotline to bypass the school’s grievance policies.

Amending Paid Parental and Postpartum Recovery Leave Policy

This policy is being revised to clarify that the two paid leave periods are each up to 15 contract days as opposed to 3 calendar weeks. The revisions also clarify that the maximum amount of leave under each paid leave period is 15 contract days and that any non-contract days occurring during a leave period will not count toward the three-calendar week leave period.

Amending Instructional Materials Policy

HB 21 from the 2025 legislative session renumbered various parts of the criminal code, including the definitions of “objective sensitive material” and “subjective sensitive material.” Those definitions are included in the school’s Instructional Materials Policy and the USBE has asked schools to update their policies with the correct/updated code citations. The proposed revisions to the policy include only the updated code citations. No other changes have been made to the policy.