

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
INTELLECTUAL VIRTUES ACADEMY**

A special meeting of the Board of Directors (the "Board") of Intellectual Virtues Academy was held at the home of the Board Chair, located at 1897 College Circle, Long Beach, California on the 2nd day of October, 2012 at 8:00 p.m.

DIRECTORS PRESENT:

Robert Covolo, Chair
Robin LaBarbera, Secretary
Steve Porter
Edward Castro
Jason Baehr
Shelly Millsap (joined the meeting via speaker phone)

DIRECTORS ABSENT:

Eric Churchill, Treasurer
Karyn Pace
Rebecca Irwin
Mynor Montiel

CALL TO ORDER:

The Chairperson called the meeting to order and established that a quorum was present.

MEMORANDUM OF UNDERSTANDING:

Jason reviewed with the Board the prior discussion with LBUSD, to note the following changes in the MOU (Memorandum of Understanding): (1) The district revised the date to provide a lease/rental agreement, changed to 5/1 every year; (2) 501c3 status, extended to May 1st to obtain 501c3 status; (3) The dispute resolution process does not allow for arbitration; (4) No founder's exemptions will be permitted.

The Board deliberated the legal relationship portion of the document, specifically IVA's liability to indemnify the district in legal matters. It was determined this portion of the MOU place IVA at significant risk. Yet the Board also recognized that not approving the MOU at this juncture could cause serious delay, if not jeopardize the start up process. After considerable discussion and weighing of the options and timing of the various stages required to move forward with starting IVA, Steve Porter moved that the board approve the Memorandum of Understanding as stated, Jason Baehr seconded, and the decision passed unanimously.

ADJOURNMENT:

There being no further business to come before the meeting, Ed moved to adjourn the meeting, seconded by Steve, and unanimously approved. The meeting was adjourned at 8:50 p.m.

Respectfully submitted

Robin LaBarbera, Secretary

APPROVED:

Bob Covolo, Chairman