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**I. PURPOSE**

This policy provides a framework for debt management.

**II. POLICY**

- A. Athlos Academy of Utah (the “School”) will seek to avoid debt to the extent possible.
- B. The School’s plan is to only assume debt as absolutely necessary or when the benefits of a purchase will, in the judgment of the Board, benefit the School’s students for the life of such debt.
- C. The Board recognizes that the ability to take on debt will be governed by the covenants of existing indebtedness and pending indebtedness.
- D. The School’s accounting staff and board will be informed of the requirements affecting the School’s ability to incur debt. Any debt assumed by the School will therefore comply with applicable laws and any existing bond covenants.
- E. As economical or in its best interests, the School will seek refunding opportunities to either lower its debt profile, meet bond covenants or other advantageous benefits realized through a restructure of its debt.