

**MINUTES OF REGULAR MEETING OF BOARD OF DIRECTORS
OF
PARNASSUS PREPARATORY SCHOOL**

Held October 11, 2016

Minutes of a Regular Meeting of the Board of Directors of Parnassus Preparatory School, a Minnesota non-profit corporation (the “Company” or the “School”), held on October 11, 2016 at Parnassus Preparatory School, 11201 96th Street, Maple Grove, Minnesota.

Present at the meeting were directors Greg Friess, Ken Zigrino, Barb Rose, Heather Ross. Director Nancy Rigby arrived at approximately 6:55 p.m.

Also present from the School were Ms. Ford, Executive Director, and Mr. Kasowicz, Assistant Principal of the Schools of Logic/School of Rhetoric.

The meeting was called to order by Mr. Friess at 6:02 p.m. All directors present waived notice of meeting, and Mr. Friess noted the presence of a quorum.

MISSION STATEMENT

The next order of business was to recite the mission statement of the School, which was done by Mr. Friess.

APPROVAL OF AGENDA

The next order of business was to approve the Agenda for the meeting included in the Board’s packet circulated prior to the meeting (the “Board Packet”). The directors agreed, however, that the Agenda would remain flexible to hear from community members as some time, and that the question of designating an “Official With Authority” would be dealt with during the review of Administrative Items. Upon motion duly made and seconded, the Board unanimously approved the Agenda as presented in the Board Packet, with the changes above-noted.

APPROVAL OF CONSENT AGENDA

The next order of business was to approve the items on the Consent Agenda for the meeting as presented in the Board Packet. Upon motion duly made and seconded, the Board unanimously approved the Consent Agenda as presented in the Board Packet.

DESIGNATION OF OFFICIAL WITH AUTHORITY

The next order of business was to consider designating an “Official With Authority” for the Minnesota Department of Education User Access Recertification Program. Upon motion duly made and seconded, the Board unanimously approved the following resolution:

Designate Ms. Ford, the Executive Director, as the *Official with Authority* on the Minnesota Department of Education (MDE) External User Access Recertification System. The Identified Official with Authority will assign job duties and authorize external user's access to MDE secure systems for their local education agency (LEA) or organization. Authorize Ms. Ford, Executive Director, to act as the Identified Official with Authority for Parnassus Preparatory School.

COMMUNITY COMMENT

The next order of business was to hear comments from community members. Kim Caywood addressed the Board regarding several issues she and other families had regarding busing, both as to ride times and safety issues. The Board heard her statements and assured all community members present (i) that the Board takes busing issues, particularly bus safety issues, very seriously; (ii) that busing has been and will continue to be a matter that the entire administration is committed to resolving; and (iii) that the matter would be given added attention going forward. No formal action was taken.

DISCUSSION OF ADMINISTRATIVE ITEMS

The next order of business was to discuss certain administrative items. First, Mr. Kasowicz, Assistant Principal of the School of Logic/School of Rhetoric, gave a detailed presentation of work he has been doing in regards to dealing with busing issues in general, and that specifically addressed concerns brought up in the previous community comment. A good rundown of the challenges facing the School, and in fact that all charter schools of which we are aware are facing, were discussed. Directors throughout asked many questions and brought up concerns to be answered, which Mr. Kasowicz agreed to look into further and report back on to the Board.

Ms. Ford then addressed enrollment and gave an academic update. Among other things, she stated that current School enrollment stands at 1,007, and the School is developing curriculum plans and getting ready to start 4R next year.

COMMITTEE ITEMS

The next order of business was to discuss committee items. Mr. Zigrino reported that certain new policies had been recommended by the Policy and Elections Committee for passage by the Board after input by the administration, and that these policies would be presented to the Board soon. He also stated that preparations were being made for upcoming elections in February. There was a general discussion of items from the Marketing Committee. No formal action was taken.

ACCEPTANCE OF JULY/AUGUST 2016 FINANCIALS

The next order of business was to accept the July/August 2016 Financials, as presented in the Board Packet, and as reviewed and recommended by the Finance Committee. Upon motion

duly made and seconded, the Board unanimously approved acceptance of the July August 2016 Financials as presented in the Board Packet.

FACILITIES REVIEW

The next order of business was to discuss the status of the School's proposed bond financing transaction and construction project (collectively, the "Bond Financing"). Mr. Friess presented to the Board and fielded questions. No formal action was taken.

AUTHORIZATION TO FINALIZE LEASE

The next order of business was to authorize members of the Board's Facilities Group (Mr. Friess, Mr. Zigrino and Ms. Ford) to finalize the School's contemplated lease of the facilities in connection with the Bond Financing. Mr. Friess explained some of the language he wanted changed, and informed the Board the proposed lease had been used in connection with other financing projects and passed scrutiny by the MDE. Upon motion duly made and seconded, the Board unanimously authorized the members of the Facilities Group to finalize a lease on behalf of the School.

AUTHORIZATION IN CONNECTION WITH BOND RATING

The next order of business was to authorize members of the Board's Facilities Group to make changes in the Bond Financing terms necessitated by a Standard & Poor's bond rating. Mr. Friess explained some of his thoughts regarding the ratings process. Upon motion duly made and seconded, the Board unanimously authorized the members of the Facilities Group to make changes in the proposed Bond Financing terms necessitated by a Standard & Poor's bond rating and findings in connection therewith.

APPROVAL OF RAISING TOTAL AMOUNT OF BOND FINANCING

The next order of business was to approve the total amount sought to be raised in connection with the Bond Financing. Mr. Friess explained some of his thoughts regarding the amount to be raised, the changes to the facilities that might be obtained, the risks involved and other issues. Upon motion duly made and seconded, the Board unanimously approved raising the amount sought to be raised in connection with the Bond Financing by \$500,000.

ADJOURNMENT

The next order of business was to discuss the adjournment of the meeting. On motion made and duly seconded, the Board of Directors unanimously approved to adjourn the meeting at approximately 7:48 p.m.

Respectfully submitted,

Kenneth D. Zigrino, Secretary