



**Saint Francis College Preparatory High School
Regular Board of Directors Meeting**



**November 18 2015, 6pm
Murrieta, CA**

AGENDA

Members in Attendance:

President - M. Fitzpatrick	Sec./Treas. - S. Lindsley
Member - N. Goldmann	Member – H. Monteleone
Member – M. Melendez	Member – J. Sparkman

Staff in Attendance:

Exec. Dir. - S. Phillips	Bus. Dir. - T. Melton
--------------------------	-----------------------

Call to Order and Introductions:

I. Initial Required Action Items:

A. Approval of Agenda for current Board Meeting

Staff Recommendation: Staff recommends approval of Agenda as presented.

Discussion
Motion
Action

II. Consent Agenda:

Staff recommends approval of the following items as the consent agenda, allowing the board of directors to vote on routine items and other non-controversial items not requiring discussion or independent action as one singular agenda item.

- A. **Approval of Minutes from Previous Board Meeting** – October 21, 2015: Staff recommends approval of Board Meeting Minutes as presented. (Page 3 of packet)
- B. **Board Resolution 16-003:** Apply for Corporate Credit Card to use for online transactions. (Page 7 of packet)
- C. **Initial Enrollment Application, Deadlines, and Financial Policy:** Staff recommends approval of the Enrollment Application (Page 8 of Packet) and associated Financial Policy Agreement and Tuition (Page 14 of packet) as submitted for publication and distribution beginning December 1, 2015.
- D. **Operational Expenses:** Staff recommends approval of the following Operational Expenses, already incorporated into the Forecast. Expenditures will not be initiated until/unless funds are available in the commercial account.
 - a. Nonprofit membership Murrieta Chamber of Commerce \$200 annually
 - b. One time \$150 purchase of WordPress Calendar Plug-in

III. Regular Reports:

- A. **SFCP Staff Report** (Page 18 of packet) S. Phillips
 - I. Approval of Agenda
 - II. Approval of Consent Agenda
 - III. Staff Information, Updates and Reports
 - IV. Staff Recommendations for Board Discussion or Informational Items
 - V. Staff Recommendations for Board Action items
- B. **SFCP Business & Operations Report** (Page 20 of packet) T. Melton
 - I. Bank Transactions
 - II. Board Roster, Bios, Grant and Funding Request Updates
 - III. Director's and Officer's Insurance

IV. Action Items

A. Approve updated LOI with MEC

Staff Recommendation: As set forth in staff report, staff recommends approval based on board discussion and recognition of any items that need to be changed before approval. (Page 22 of packet).

- Discussion
- Motion
- Action

V. Directors Items

[Any items not agendaized that individual board members would like to have agendaized for the next meeting]

VI. Adjournment and Announcement of Next Regular Meeting:

December 16th, 6:00pm, Fitzpatrick Residence.

VII. CLOSED SESSION

- A. **Financial Forecast Scenarios** (Discussion)
- B. **Critical Funding Needs and Timelines** (Discussion)

**Saint Francis College Preparatory High School
Minutes for Board of Directors Meeting**

**October 21, 2015, 6pm
Murrieta, CA**

MINUTES

Members in Attendance:

President - M. Fitzpatrick Sec./Treas. - S. Lindsley Member – J. Sparkman
Member - N. Goldmann (proxy)

Members Absent:

Member – M. Melendez Member – H. Monteleone

Staff in Attendance:

Exec. Dir. - S. Phillips Bus. Dir. - T. Melton

Call to Order and Introductions:

The Meeting is called to order at 7:00pm

I. Initial Required Action Items:

- A. **Approval of Minutes from Previous Board Meetings** – July 24, 2015 (E-Meeting), September 2, 2015 (Regular Meeting), September 23, 2015 (Regular Meeting), October 7, 2015 (E-meeting), and October 14, 2015 (E-Meeting)

Motion: J. Sparkman moves that the minutes be approved as presented and S. Lindsley seconds this motion.

Discussion is held and vote is taken. The motion is approved with 4 ayes and 0 nos

B. Approval of Agenda for current Board Meeting

Motion: S. Lindsley moves that the agenda be approved as presented and J. Sparkman seconds this motion.

Discussion is held and vote is taken. The motion is approved with 4 ayes and 0 nos

II. Consent Agenda:

- E. **Board Resolution 16-002**
- F. **Amended 2016/17 School Calendar**

G. Job Descriptions: Job Descriptions for Chief Executive Officer (CEO), Chief Operating Officer (COO), Principal, Lead Teacher, and Team Teacher – Religion.

H. Operational Expenses:

- a. Month to Month Contract with UMS
- b. Expense of \$24 monthly for Quickbooks Online account
- c. NCEA Membership Application & one-time Expense of \$255
- d. \$174.50 Expense to Union Tribune for publication of Policy of Nondiscrimination in Enrollment.

Motion: S. Lindsley moves that the consent agenda be approved as presented and J. Sparkman seconds this motion.

Discussion is held and vote is taken. The motion is approved with 4 ayes and 0 nos

III. Regular Reports:

- C. **SFCP Staff Report** is presented by S. Phillips
- D. **SFCP Business & Operations Report** is presented by T. Melton

IV. Discussion or Information Items

A. St. Francis Crest Design and compatibility with Vision/Mission, Mascot, Logo, and colors
Staff Recommendation: Staff recommends adoption of a crest as soon as possible, via e-meeting if necessary, for use in marketing functions. Staff distributed examples for discussion. Item will be added to a future Board Meeting Agenda for further discussion/action.

B. Fundraising Event

Staff Recommendation: Staff recommends board members reach out to community immediately to invite as many real potential donors as possible.

C. Family Information Night Event

Informational: Staff are planning on holding Family Informational Nights monthly beginning November 3, 2015.

D. 2016/17 Enrollment Process Discussion.

Staff Recommendation: As set forth in staff report, staff recommends a discussion regarding the enrollment process for action in the November Board Meeting (Application Release Date, Admissions Deadline Date, Entrance Exams Date and Purpose). Item will be added to a future Board Meeting Agenda for further discussion/action.

E. School Uniform Selections

Staff Recommendation: Staff recommends a discussion regarding the school uniforms for action in the November board meeting. Staff will brought samples of potential uniform choices for discussion by the Board of Directors. Item will be added to a future Board Meeting Agenda for further discussion/action.

F. 2016/17 Tuition and Financial Aid Programs

Staff Recommendation: As set forth in staff report, staff recommends a discussion regarding the setting of Tuition for the 2016/17 school year and projections into following school years as well as a discussion regarding the Financial Aid programs to be offered. Item will be added to a future Board Meeting Agenda for further discussion/action.

G. 2016/17 SFCP Course Offerings

Staff Recommendation: Staff recommends a discussion regarding the Course Offerings for the 2016/17 school year. Staff distributed a sample for discussion. Item will be added to a future Board Meeting Agenda for further discussion/action.

H. 2016/17 SFCP Staffing Plan

Staff Recommendation: Staff recommends a discussion regarding the Staffing Plan for the 2016/17 school year. Staff distributed a sample for discussion. Item will be added to a future Board Meeting Agenda for further discussion/action.

I. 2016/17 SFCP Salary Bands

Staff Recommendation: As set forth in staff report, staff recommends a discussion regarding the Salary Bands for the 2016/17 school year. Item will be added to a future Board Meeting Agenda for further discussion/action.

I. Directors and Officer's Liability Insurance Policy

Staff Recommendation: As set forth in staff report, staff recommends a discussion regarding the Director's and Officer's Liability Insurance Policy. Policy details will be forwarded to Steve Lindsley for review. Item will be added to a future Board Meeting Agenda for further discussion/action.

V. Action Items

A. Approve most recent LOI with MEC

Motion: S. Lindsley moves that the item be tabled until the next Board Meeting and J. Sparkman seconds this motion.

Discussion is held and vote is taken. The motion is approved with 4 ayes and 0 nos

VI. Directors Items

The voluntary resignation of Board Member Rice Berkshire due to scheduling issues and inability to be active for over 90 days was accepted by the Board, however, the Board expressed a desire to place him on the Board of Advisors and a hope that he would be able to join the board again in the future if his schedule allowed.

VII. Adjournment and Announcement of Next Meeting

Motion: M. Fitzpatrick moves that meeting be adjourned at 8:25pm and S. Lindsley seconds this motion.

Discussion is held and vote is taken. The motion is approved with 4 ayes and 0 nos

Secretary's Certificate:

I, Stephen Lindsley, Secretary of the Board of Directors of ST. FRANCIS COLLEGE PREPARATORY HIGH SCHOOL, a California nonprofit public benefit corporation, County of Riverside, California, hereby certify as follows:

I have carefully reviewed the above minutes of such meeting that occurred on October 21, 2015.

WITNESS my hand this _____ day of _____, _____.

Secretary of the Board of Directors of
St. Francis College Preparatory High School

**St. Francis College Preparatory High School
Resolution of the Board of Directors
Board Resolution 16-003**

**Corporate Resolution to apply for Commerce Bank of Temecula Valley MasterCard for
Business Credit Card**

Whereas, the SFCP Board authorized opening corporate checking accounts; and

Whereas, the SFCP Board understands that Commerce Bank of Temecula Valley has limitations on liability as set forth on Commercial Deposit Account Agreements relating to electronic banking, and that business debit cards are not subject to Regulation E; and

Whereas, SFCP Staff desire to have a corporate credit card in place for online transactions in order to take advantage additional protections afforded SFCP in the case of fraudulent transactions;

Therefore, be it resolved that SFCP Staff shall apply for a Commerce Bank of Temecula Valley Mastercard for Business Credit Card.

Adoption: 11/18/2015

**St. Francis College Preparatory High School
25185 Madison Avenue, Murrieta, CA 92562**

Secretary's Certificate:

I, Steve Lindsley, Secretary of the Board of Directors of ST. FRANCIS COLLEGE PREPARATORY HIGH SCHOOL, a California nonprofit public benefit corporation, County of Riverside, California, hereby certify as follows:

I have carefully reviewed and certify the above resolution, approved by the Board of Directors on November 18, 2015.

WITNESS my hand this _____ day of _____, _____.

Secretary of the Board of Directors of
St. Francis College Preparatory High School

11/14/2015



St. Francis College Prep 2016/2017 Enrollment Application

Thank you for your interest in St. Francis College Preparatory High School, a high school in the Catholic tradition located in Murrieta, CA. By completing this Application, you are indicating your interest having your child(ren) considered for enrollment/registration St. Francis College Prep for the 2016-2017 school year. Please complete the following application. Should it be necessary, school staff will contact you to verify the information submitted, or to request additional information necessary to evaluate your application. You may remove your child from consideration at any time.

* Required

1. **I understand that a non-refundable \$25 Application Fee (per family) is due at the time of Application Submission in order for my child to be considered for enrollment (payment instructions to follow) ***

Check all that apply.

Yes

2. **I understand that enrollment acceptance is dependent on various factors, including the order of submission or placement on the waiting list, available space in the grade level of the student(s) being considered, and program suitability ***

Check all that apply.

Yes

3. **I understand that transcripts, immunization records, or other records may be requested prior to final acceptance, and that placement testing may be required prior to acceptance and/or enrollment/registration. ***

Check all that apply.

Yes

4. **I understand that at the time of mutually accepted enrollment and registration, I am responsible to pay the non-refundable \$500 Enrollment Deposit and \$350 Material/Technology Fee (per STUDENT). I understand that Tuition will be charged via FACTS and according to the St. Francis Financial Policy Agreement. ***

Please visit <http://www.mysaintfrancis.com/wp-content/uploads/SFCP-Financial-Policy-DRAFT-PLACEHOLDER.pdf> to view the Financial Policy Agreement

Check all that apply.

Yes

5. How did you hear about us? *

Please check all that apply
Check all that apply.

- www.MySaintFrancis.com
- General web search
- Facebook/Twitter/Social Media
- Street Signage
- Family Referral
- Email Communication
- Referral by a school staff
- Other:

Parent/Guardian 1 Information

6. Parent/Guardian 1 First Name *

(required)

.....

7. Parent/Guardian 1 Last Name *

(required)

.....

8. Best Email Address *

(required)

.....

9. Parent/Guardian 1 Address: Street *

.....

10. Parent/Guardian 1 Address: City *

.....

11. Parent/Guardian 1 Address: State *

.....

12. Parent/Guardian 1 Zip Code *

.....

13. Parent/Guardian 1 Phone *

.....

14. Parent/Guardian 1 Highest Level of Education *

Mark only one oval.

- Some High School
- High School Diploma
- Some College
- Bachelor's Degree
- Graduate Degree - Masters
- Graduate Degree - Doctorate

15. Parent/Guardian 1 Occupation

.....

16. Status of Parents *

Mark only one oval.

- Married
- Separated
- Divorced
- Father Deceased *Skip to question 27.*
- Mother Deceased *Skip to question 27.*
- Other:

Parent/Guardian 2 Information

17. Parent/Guardian 2 First Name *

(required)

.....

18. Parent/Guardian 2 Last Name *

(required)

.....

19. Best Email Address *

(required)

.....

20. Parent/Guardian 2 Address: Street *

.....

21. Parent/Guardian 2 Address: City *

.....

22. **Parent/Guardian 2 Address: State ***

.....

23. **Parent/Guardian 2 Zip Code ***

.....

24. **Parent/Guardian 2 Phone ***

.....

25. **Parent/Guardian 2 Highest Level of Education ***

Mark only one oval.

- Some High School
- High School Diploma
- Some College
- Bachelor's Degree
- Graduate Degree - Masters
- Graduate Degree - Doctorate

26. **Parent/Guardian 2 Occupation**

.....

Student 1 Information

27. **Student 1 First Name ***

.....

28. **Student 1 Middle Initial ***

.....

29. **Student 1 Last Name ***

(required)

.....

30. **Student 1 Date of Birth ***

Example: December 15, 2012

.....

31. Student 1 Grade Level in 2016/2017 School Year *

SFCP will only admit students entering the 9th, 10th, or 11th grade for the 2016-17 school year

Mark only one oval.

- 9th Grade
- 10th Grade
- 11th Grade

32. Student 1 Current School *

Mark only one oval.

- TVUSD High School (Chaparral, Great Oak, TVHS)
- TVUSD Middle School
- MVUSD High School (Vista Murrieta, Murrieta Valley)
- MVUSD Middle School
- St. Jeanne de Lestonnac
- Linfield Christian
- Van Avery Prep
- Hillcrest Academy
- Other

33. With whom does student reside? *

Mark only one oval.

- Parent/Guardian 1 only
- Both Parents/Guardians
- Parent/Guardian 2 only
- Other

34. Why do you want this student to attend SFCP? What are primary areas in which you hope to see this student develop at SFCP?

.....

.....

.....

.....

.....

35. Do you have another student currently attending or entering high school by 2018? *

Mark only one oval.

- Yes
- No Stop filling out this form.

Confirmation Page:

Your Application has been submitted and you will be contacted no later than March 18, 2016 with a final application decision, request for more information, or placement testing date and time.

Please visit <https://squareup.com/market/st-francis-college-preparatory-high-school> to submit your nonrefundable \$25 Application Fee. Incomplete Applications can not be considered. You may rescind your application at any time.

Please contact us at (951)251-0327 or info@mysaintfrancis.org for further information or to check on the status of your application.

Thank you for your interest in St. Francis College Preparatory High School and we look forward to inspiring your student to servant leadership through a 21st Century education founded upon the Catholic Faith!

Financial Policy Agreement 2016-2017 Tuition

Domestic Students:

2015-2016 Tuition - \$10,500 first student (5% Sibling/Multi-student Discount on additional students)
Mandatory Tax Deductible Donation - \$0 (waived 2015-2016)
Application Fee (New Students) - \$25
Enrollment Deposit - \$500
Technology Fee - \$350
FACTS Fee - \$20 or \$50 (dependant on payment plan chosen)

Payment Option 1 – Monthly Payments

- \$500 Enrollment Deposit due at Registration
- \$350 Technology Fee due at Registration
- \$10,500 in tuition paid as follows: Ten (10) auto-debit monthly payments of \$1,050 due on the 5th of each month (July through April)
- FACTS Tuition Management Plan mandatory (\$50 annual set up fee)

Payment Option 2 – Semester Payments (2.5% Discount)

- \$500 Enrollment Deposit due at Registration
- \$350 Technology Fee due at Registration
- \$10,238 in tuition paid as follows: Two (2) auto-debit semi-annual payments
- \$5,119 due July 5, 2016
- \$5,119 due December 5, 2016
- FACTS Tuition Management Plan mandatory (\$20 annual set up fee)

Payment Option 3 – Annual Payment (5% Discount)

- \$500 Enrollment Deposit due at Registration
- \$350 Technology Fee due at Registration
- \$9,975 in tuition paid in One (1) annual payment
- \$9,975 due July 5, 2016
- FACTS Tuition Management Plan optional (\$20 annual set up fee)

International Students:

International 2015-2016 Tuition - \$14,000
Mandatory Tax Deductible Donation - \$0 (waived 2015-2016)
Application Fee (New Students) - \$25
Enrollment Deposit - \$500
Technology Fee - \$350

Payment Due at Registration

- \$500 Enrollment Deposit due at Registration

- \$350 Technology Fee due at Registration
- \$14,000 in tuition paid in One (1) annual payment due July 5, 2016

Important Dates to Remember:

- Application Release: December 1, 2015
- FACTS enrollment available: early January 2016
- Early Enrollment Application Deadline: March 4, 2016
- Financial Aid Application Available Online: March
- Early Placement Testing for Incoming Freshmen: March 12, 2016 (tentative)
- Early Enrollment Decisions: March 18, 2016 (tentative)
- Final Enrollment Application Deadline: May 2, 2016 (tentative)
- Financial Aid Application Deadline: May 2, 2016
- Final Placement Testing for Incoming Freshmen: May 14, 2016 (tentative)
- Tuition Assistance Applications: May 16, 2016 (tentative)
- Student Orientation: August 2016 (Date/Time TBD)

Other Fees (optional)

Athletics	varies
School Uniforms (Dennis)	varies

Financial Information

Tuition is calculated yearly and auto-billed according to your choice of payment (yearly, bi-annual, or monthly). Please note that tuition is not prorated nor is credit given for any reason, including holidays when the school is closed or for illness or family vacations. St. Francis uses FACTS to collect tuition. FACTS is an auto-pay system that can be connected to your checking account, savings account, or a credit card (Visa, Master Card, Discover, or American Express). The auto-debit for tuition is collected according to option you choose. All payments are due by the 5th day of the month.

A late fee of \$25 is assessed on accounts that have not been paid five days after the due date. If tuition is not paid by the date of service, your service may be terminated. There is an additional \$30 bank fee for all ACH (auto-pay) payments that are declined through your checking/savings account.

Tuition and fees collected are non-refundable. Please note that when you enroll your child at SFCP, your financial obligation and commitment to SFCP is for a full year of tuition. Because the school's expenses are incurred on an annual basis, SFCP cannot afford to refund, to prorate, to discount, to adjust or to cancel previously billed tuition, collected or not yet collected, in the case of a withdrawal on or after the first day school, and parents / legal guardians / legal custodians will remain responsible for the unpaid balance on the account, except in extreme/special cases of Annual or Semi-Annual payments, in which case prorated tuition fees may be refunded with 90 days notice of a student leaving the school at the discretion of the Head of School. No refund of tuition will be processed without a completed withdrawal form signed by all responsible parties,

parents and/or legal custodians and guardians as listed on this form. The date on the withdrawal form is considered the effective day of withdrawal.

Additional Policies:

1. A family with an outstanding balance may not be invited to re-enroll at SFCP.
2. A family that has not followed up on its chosen payment plan will not have the ability to register their student for classes, the student will not be issued a class schedule or textbooks, and will not be allowed to attend school.
3. Families enrolling a student after July 5th and before the first day of school may choose any plan. However, the plan payment schedule must be brought up to date before allowed in class (a catch-up payment will be required).
4. Families enrolling a child after the first day of school but before the end of the first semester will be charged the enrollment deposit plus full annual tuition. Families enrolling a child after the end of the first semester will be charged the \$500 enrollment deposit plus 65% of the full annual tuition.
5. Scheduled payments for Monthly and Semi-Annual tuition must be current at all times. Keeping payments current insures that a student will be allowed to attend his/her scheduled classes, take exams, receive grades, credits and transcripts; will be allowed to participate in school-sponsored sports, events and trips, and receive a diploma at graduation.
6. Tuition does not include the following: uniforms, school organized fieldtrips and events unless otherwise announced, transcript requests, assessment tests. Textbooks are included; however lost textbooks will be billed to the family at the cost of replacement.

The Financial Policy may be amended at any time. Parents will receive 60 days written notice of changes to the SFCP Financial Policy.

Student Name and Grade: _____

By signing below, both parents/guardians agree to the terms below:

- ✓ I have read and understood all of the above terms and agree to abide by their conditions
- ✓ I agree to enroll my child at SFCp for the entire academic year.
- ✓ I agree that I am obligated and liable for the full academic year tuition fee even if I am to withdraw my child at anytime before the end of the academic year.
- ✓ I agree to pay the tuition fee on time in accordance with the terms and schedule of the payment plan I select in FACTS.

Print Name

Signature

Date

Print Name

Signature

Date

**St. Francis College Preparatory
Board Meeting of 11-16-15
Staff Report by S. Phillips**

Part I. Initial Required Action Items:

A. Approval of Board Meeting Agenda

Staff recommends approval of Meeting Agenda as presented.

Part II. Consent Agenda

A. Approval of Consent Agenda Items

Staff recommends approval of Consent Agenda as presented as all items must or should take action on in order to prepare for opening the school in August 2016.

Part III. Staff Information, Updates and Reports

A. Diocese of San Bernardino

The Diocese has confirmed that at this time there are no plans to meet with SFCP and that all support is being directed towards St. Jeanne.

B. Initial Fundraising Event for SFCP

The initial fundraising event held Nov 12, 2015 was a success in that \$1,500 was donated at the time of the event and that information regarding plans for SFCP opening was shared with a broader audience including a representative for a group of families from Corona who are excited about the school opening. Others are considering how they can help support the school as well.

C. Mascot and Crest for SFCP

Staff and Mr. Fitzpatrick are working with our graphics designer to secure final graphics for the school mascot and the school crest. It is our goal to have these completed by December 1, 2015 before we go live with registration an enrollment.

D. Save the Date [Calendar of Events]

Staff has developed a "Save the Date" list of events for the calendar over the next few months to share with interested families and supporters. See the attached for reference.

E. Social Media Presence

Staff has increased the Social Media presence for SFCP. The school now has a very up to date website (thanks to the assistance of Mr. Fitzpatrick); a Facebook Page; an Instagram feed; and a Twitter account. A schedule has been created so that there will be daily posts reflective of SFCP's vision and SFCP will be following a number of like-minded or reflective feeds from other institutions across the professional spectrum. By the end of the month SFCP will also add a Pinterest account and a Linked-In page.

F. Course Offerings and Schedules

Staff has created a list of tentative course offerings and a class schedule that can be shared with prospective students and parents. A copy of these will be handed out to board at meeting for review and discussion.

Part IV - Staff Recommendations for Board Discussion or Information Items

There are no discussion or information items.

Part V - Staff Recommendations for Board Action Items

A. Approval of Formal Response to MEC's LOI Draft of 11-13-15

The most recent LOI draft – version 4.0 -- is included in the board packet.

Mr. Phillips met with Larry Smith and AG Kading on 11-04-15 to offer version 3.0.

Version 4.0 has clarification language for the LOI in reference to items discussed during the 11-04-15 meeting and is being reviewed by Mr. Fitzpatrick, Mr. Lindsley, Mr. Phillips, and Mrs. Melton. These reviews will be offered during the board meeting. Barring any changes to the intent SFCP offered in version 3.0 staff is recommending approval, however this matter will be discussed in full during the board meeting.

Part VI - Staff Recommendations for Closed Session

A. Fundraising Needs and Plan

Staff is recommending a Closed Session for Board members only to discuss fundraising needs and plans. The agenda for this session will be supplied separately before the meeting.



**St. Francis College Preparatory High School
Board Meeting 11/18/2015
Business and Operations Report by T. Melton**



Part I. Banking Transactions for October – November 13, 2015

Operations Account:

Previous Balance:		\$7,750
Deposit 10/30		\$7,000
WaterMark November:	\$2,500	
1/3 Second Staff Deposit:	\$11,699	
Merchant Account Fee:	\$40	
IRS Required Ad	\$175	
Deposit 11/13		\$1,000
Current Balance:		\$1,336

Fundraising Account:

Previous Balance:		\$9.72
Donation 10/19		\$97.25
Current Balance:		\$106.97*
<i>(Two pending credits from Square \$500 and \$10 minus discount)</i>		

Part II. Board Roster and Bios, Grant and Funding Request Updates

Grant Requests are **ON HOLD** until IRS Letter of Nonprofit Determination arrives – could be any day. (Wayne and Gladys Valley Foundation and ALSAM Foundation/Skaggs Family Foundation grant proposal drafts are in process.

Currently researching local Community Funds as potential funding sources (once IRS Determination has been received). So far, staff have identified two potential Funds:

1. Catholic Community Foundation of Los Angeles – responded that as a new foundation they are not currently accepting unsolicited grant or funding requests.
2. The Community Foundation, Riverside – have not responded yet.

Will need Board Bios to submit requests – need to interview Goldmann and have remaining Boardmembers approve formatted/edited Bios before the next Board Meeting. Will also pass around Board Roster tonight to collect the most updated and accurate contact information and will distribute the completed Roster to the Board prior to the next meeting.

Part III. Director’s and Officer’s Liability Insurance

Staff presented the Board with multiple quotes for Director’s and Officer’s Insurance at the October 2015 Board Meeting and the recommendation to choose one of the E-Risk/Scottsdale Indemnity Policies. Board Secretary S. Lindsley reviewed the policy quote details at the request of the Board and recommended the \$500,000 policy limit/\$2,327 premium. Staff will pursue policy activation once available funds are in the Operations Bank Account.

Insured Person And Organization

Limit	Retention	Premium
\$500,000	\$5,000	\$2,327
\$1,000,000	\$5,000	\$3,103
\$2,000,000	\$5,000	\$3,878
\$3,000,000	\$5,000	\$4,344
\$4,000,000	\$5,000	\$4,809
\$5,000,000	\$5,000	\$5,429

**ST. FRANCIS COLLEGE PREPARATORY HIGH SCHOOL
25185 MADISON AVENUE
MURRIETA, CA 92562**

November 13, 2015

Mr. AG Kading & Mr. Lawrence Smith
Education Realty Group, Inc.
35411 Paseo Viento
Capistrano Beach, CA 92624

RE: SFCP Letter of Intent (LOI) of 11-13-15

Dear Gentlemen,

Thank you very much for affording us the opportunity to meet yesterday via Mr. Phillips. This has been a lengthy process, but we believe it worthy of the overall goal to which we are all committed more than ever, the coming to fruition of St. Francis College Preparatory School on the current MEC property in Murrieta, CA.

We understand that over the course of this process, beginning with our initial Letter of Intent (LOI) draft on July 1, 2015, there have been several needed changes that we believe have been addressed in this – our 11-13-15 LOI.

We understand that with this new direction, the City of Murrieta has recommended that a new Site Plan be submitted to accommodate SFCP's needs and operations. That Plan will delineate a completed project showing the parking, the gym, the chapel, football and soccer field needs, as well as identify the location of temporary classroom facilities for the 1st year of operations. We understand the City will also require a General Plan Amendment with all original conditions reviewed and changed in order to reflect the current direction of the project.

We also understand that MEC will pursue these changes by engaging the architect, civil engineer, and consultants. MEC has informed the city staff that city approvals need to be processed by the end of March 2016 in order that certain land development improvements (the Pad and certain improvements) might be delivered by August 2016 for a September opening of St. Francis College Prep 1st year of operation.

And we know that MEC will require SFCP's cooperation and help in making decisions and approving all changes prior to the various submittals to the City of Murrieta. With this in mind, we hereby submit three proposals in order to accomplish our joint objectives.

I. OPPORTUNITY FOR EQUITY - BASIC TERMS:

Off-site Plans: MEC will contract with professionals to plan and modify the current Off-site plan, and then attempt to process these changes through the City of Murrieta. Any Off-Site changes must be acceptable to MEC prior to it pursuing with the City.

On-site Plan: MEC will contract with professionals to plan and modify the current On-Site plan and then, attempt to process these changes through the City of Murrieta. SFCP will approve and reimburse MEC for the planning costs and City processing costs for any on-site modifications made to the existing site plan. For MEC to secure such reimbursement, it shall present SFCP with written estimates or invoices, and SFCP shall promptly review and approve them, such approval shall not be unreasonably withheld. SFCP shall promptly reimburse MEC but in no event shall such reimbursement be later than 06/30/17, unless otherwise agreed to by MEC in writing.

- a. The On-Site Plan will delineate a Pad for temporary facilities, and a change in size, volume, and location of Building 1, the new Gym.
- b. Gym size and configuration will be determined by architect, MEC, and SFCP.
- c. An initial Planning Budget has been set up of \$75,000 to meet these costs. However, such Budget is just an estimate and, if planning costs exceed this budget, SFCP will also reimburse for any excess costs, pursuant to the above stated terms.
- d. Buildings 2, 3, & 4: No changes will be made to Building 2, 3, & 4.

E. Letter of Intent: In exchange for MEC's good-faith negotiations, and in order to cover certain of MEC's costs, SFCP agrees to pay a non-refundable payment of \$50,000, of which \$25,000 was paid to MEC on or about July 15, 2015. The remaining \$25,000 shall be paid to MEC by December 31, 2015, unless otherwise agreed to by MEC in writing.

F. Lease Terms:

1. Pad Occupancy - 1 year term, with possible 1 year extension at MEC discretion.
2. Buildings - Twenty (20) years with options for three (3) five (5) year extensions.

G. Delivery Dates:

1. Pad Delivery: approximately August 1, 2016
2. Building Delivery: approximately August 1, 2017, or as extension may be needed by MEC based on entitlement/City/Gov. or project/Building financing issues or low student enrollment.

H. Lease Space:

1. Pad Lease August 1, 2016-July 31, 2017 (approximate dates): On approximately August 1, 2016, and subject to reasonable extensions based on entitlement/City/Gov. or project/Building/construction financing or construction issues or low student enrollment, Landlord will deliver approximately 105,415 sq. ft. of land suitable for temporary modular buildings. Tenant is responsible to thereafter promptly provide and install suitable modular buildings.
2. Building Lease August 1 2017- July 31, 2037: On approximately August 1, 2017, with reasonable extensions allowed based on entitlement/City/Gov. or project/building/construction or financing issues or low student enrollment, Landlord will deliver the entire Buildings 2, 3, & 4, plus tenant improvements for 77,061 square feet of space, representing floors 1-4 of building 4. On approximately August 1, 2017, again subject to the above named contingencies, Landlord will also deliver the Gym building. Tenant will initially lease the entire 173,945 square feet comprised of Education/Administrative space (all floors, Building 2, 3, & 4) plus the 17,150 square feet comprised of Gym/Multi-purpose, & Chapel, Building 1(Gym) and will pay rent per the scheduled occupancy described below.

Initial Occupancy Space:

1. August 1, 2017-July 31, 2037: Tenant will initially occupy 77,961 square feet on the 1st, 2nd, 3rd, & 4th floor of Building 4 and including the Core/Lobby space on all four floors of Building 3.

Additional Occupancy of Space:

2. August 1, 2018-July 31, 2037: -Tenant will occupy and must use an additional 30,476 square feet on the 1st and 2nd floor of Building 2.
3. August 1, 2019-July 31, 2037: -Tenant will occupy and must use an additional 30,626 square feet on the 3rd and 4th floor of Building 2.
4. August 1, 2020-July 31, 2037: Tenant will occupy and must take an additional 34,882 square feet on the 5th floor of Building 2, 3, 4.

Tenant Improvements:

1. Landlord to provide Tenant with an allowance of \$30 per square foot of usable space which is baked into the base rent. Tenant shall be separately responsible for any excess costs.
2. Tenant has obligation to notify Landlord 120 days before actually occupying the additional blocks of spaces noted above regarding the space configuration in order for Landlord to complete the additional tenant improvements.
3. Tenant has the right to sublease any space they have under lease, with landlord's approval, within a 15 days lease approval period.
4. Tenant has obligation to notify Landlord 120 days before delivery of the sublease space to any sublease occupant for any space requiring Tenant Improvements.

Tenant Responsibility: Because of the Start-Up nature of the school, the Construction Lender may require a Lease Guarantee from new tenant entity. Lenders have indicated that the guarantee can "bleed off" as the student enrollment is achieved. Terms of the acceptable "bleed off" to be mutually agreed between Landlord and Tenant and lender.

I. Base Monthly Rental (NNN):

1. Pad Lease Aug. 2016-Aug. 2018: 1st year annual rent is \$300,433, or \$25,037/month to month NNN. Rent is based upon a \$30 land improvement value times 105,415 sf times a 9.5% per year annual factor. Landlord or Tenant may wish to extend the Pad lease for an additional 1 year extension if there are unforeseen delays in City approval; project/financing/construction issues; or low student enrollment/absorption. If so extended, Rent would be \$25,788/per month NNN for 2nd year of lease.
2. Building 1 (Gym) Lease Base Rental August 1, 2017- July 31, 2037: Square footage of Building 1 (Gym) is 17,150 square feet. First year starting rent (100% of Building 1) is based upon \$2.64 per square foot per month NNN. Plus Tenant will be responsible for all occupancy expenses and common area maintenance expenses (including insurance, taxes, and Landlord's management expense). The base rent shall increase every year by three percent (3%) or the actual CPI changes, whichever amount is greater. For the first lease year only, Landlord shall discount Tenant's Building 1 lease payment by fifty (50) percent. Effective rent 1st year is \$1.32/sf/month NNN.
3. Building 2, 3, & 4 (to be Education/Administration Buildings) Lease Base Rental August 2017-July 31, 2037: Square footage of Buildings 2, 3, & 4 is 173,944 square feet and includes a 13.4916% factor for common area corridor (Building 3 is core). Tenant shall lease the entire Buildings 2, 3, & 4

- a. Initial starting rent (44.82% of Office Area or 77,961 square feet) is based upon \$2.37 per square foot per month NNN.
- b. Starting after the first lease year, the base rent shall increase every year by three percent (3%) or the actual CPI changes, whichever amount is greater.
- c. In the first twelve months of lease, after taking possession of 77,961 square feet, Landlord shall discount Tenant's lease payment by fifty (50) percent. Effective rent 1st year occupied square feet of 77,961sf is \$1.185/sf/month NNN.

4. Must Pay Additional Occupancy:

1. 1st Increase in Must Pay – 2nd year of Building lease, August 1, 2018 – July 31, 2037:
 - a. Tenant Must Pay and occupy an additional 30,476 square feet (17.52% of Office Area) on the 1st floor (15,197 sf) and 2nd floor (15,279) of Building 2.
 - b. Second year rent on this space (17.52% of Office Area or 30,476 square feet) is based upon \$2.44 per square foot per month NNN.
 - c. In the first twelve months of this additional Must Pay and occupy space, Landlord shall discount Tenant's lease payment by fifty (50) percent. Effective rent 2nd year on the additional 30,476 square feet is \$1.22/sf/month NNN.
2. 2nd Increase in Must Pay – 3rd year of Building lease, August 1, 2019 - July 31, 2037:
 - a. Tenant Must Pay and occupy an additional 30,626 square feet (17.61% of Office Area) on the 3rd & 4th floor of Building 2.
 - b. Third year rent on this space is based upon \$2.51 per square foot per month NNN.
 - c. In the first twelve months of this additional Must Pay and occupy space, Landlord shall discount Tenant's lease payment by fifty (50) percent. Effective rent 3rd year on the additional 30,626 square feet is \$1.265/sf/month NNN.
3. 3rd Increase in Must Pay – 4th year of Building lease, August 1, 2020- July 31, 2037.

- a. Tenant Must Pay and occupy the remaining space of an additional 34,882 square feet (last 20.5% of Building 2, 3, &4) on the 5th floors of Buildings 2, 3, & 4.
 - b. Fourth year rent on this space is based upon \$2.59 per square foot per month NNN.
 - c. In the first twelve months of this additional Must Pay and occupy space, Landlord shall discount Tenant's lease payment by fifty (50) percent. Effective rent 4th year on the additional 30,626 square feet is \$1.285/sf/month NNN.
4. **Project Cost Growth or Reduction:** Tenant has requested that Landlord modify the existing approved site plan and Landlord's working budget dated 6/01/2015 to accommodate its Gym (multipurpose, Chapel, & courts), various athletic fields, and parking requirements. This will involve moving the main building and redesigning the site plan. The Tenant understands that all planning costs for On-site changes will be paid for by Tenant *pursuant to the terms set forth in **Section II. Lease Proposal: Basic Terms: Subsection D. Premises.*** Any construction cost increases or decreases associated with these plan changes will require an increase or decrease in rent. Any project cost growth (or cost reduction) over Landlord's 6/01/2015 budget will require an adjustment in rent based upon the following formula: Annual rent will increase (or decrease) by \$9,500 per \$100,000 of expenditures. Rent calculations on a building square footage basis will be adjusted when contract prices are known and then allocated to the final Gym and Building rent.
5. For and during the entire lease term, Tenant is also responsible to pay all occupancy expenses and common area maintenance expenses for the entire project (including insurance, taxes, and Landlord's management expense) and Tenant will file (annually) for exemption from real estate taxes on entire project.

J. Progressive Rental Security Deposit: Prior to the commencement of the construction of each phase of Tenant Improvements as described above, Tenant will post cash security deposit in the amount of six (6) months' rent correlating to that phase of the Buildings in which Tenant Improvement construction will commence and Tenant will occupy, as described above.. Without obligation to do so, or guarantee of result, once the LOI is signed by Tenant, MEC will open negotiations with ARS, the Mezzanine investor, to increase its loan funding amount to include all or a portion of the entire Rental Security Deposit amount. In the event MEC is unable to secure an increase in the loan for any or all of such deposit, said deposits shall be made per the first sentence of this paragraph.

K. Annual Payroll Report: Tenant understands that the New Market Tax Credit financing program, if utilized by Landlord, requires compliance of employee verification by tenants and Tenant agrees to so comply and cooperate.

L. **Signage:** Tenant shall be allowed top of building signage as well as participation on any monument or reader board signage on Freeway. Landlord and Tenant will also collaborate to the placement of a billboard on the property for freeway signage during the pre-construction and construction phases for SFCP.

M. **Lease Form:** Landlord will provide Tenant with a draft, net, net, net lease form (Standard AIR) that will also incorporate standard provisions such: subordination, non-disturbance, assignment, subleasing (particularly for related entities), insurance, indemnification, default, etc. by approximately November 20, 2015.

N. **Lease Agreement:** Tenant will enter into the above described Lease Agreement with an execution date scheduled for December 15, 2015, but Tenant will execute no later than January 1, 2016. The underlying key business assumptions for such lease are as follows:

1. Lease Rate pursuant to lease parameters above.
2. Term of 20 years with three (3) five (5) year extensions.
3. CPI adjustments every year at the greater of 3% or the then current CPI.

III. LOI OPPORTUNITY OPTION TO PURCHASE BASIC TERMS:

1. In a separate agreement, Tenant to be given an opportunity for an Option to Purchase and become Owner of entire project (outright purchase of project or purchase of Developer Interest), subject to, and contingent upon, the parties reaching a mutually agreeable price in the future and once final costs budgets and rental rates are known.
2. Option to be exercised anytime between the Filing of Notice of Completion of Buildings (Estimated to be August 1, 2017) and, assuming the parties reach a mutually agreed upon Purchase Price, on the one hand and 5 years from the date of first occupancy of the PAD.
3. Tenant will pay a non-refundable \$100,000 payment in two installments of \$50,000, the first installment upon the execution of the Option Agreement and the second installment six-months from the date of execution or upon closing, whichever occurs first. If the deal closes, this non-refundable payment will be applied to the Eventual Purchase Price.

Note regarding Broker: St. Francis College Prep and Murrieta Education Center LLC are represented by Educational Realty Group, Inc., an affiliate of MEC, and there are no other Brokers involved in this transaction.

NATURE OF THIS LETTER OF INTENT: As noted above, this Letter of Intent constitutes Tenant's offer to negotiate with Landlord. If the terms of this Letter of Intent are accepted by Landlord, this Letter of Intent shall only constitute the agreement of Tenant and Landlord to negotiate with each other in good faith for a lease of space having the basic terms set forth in this Letter of Intent. This Letter of Intent may not be relied upon by any

party as evidence of a binding agreement or commitment between Landlord and Tenant for a lease of space, and, with the exception of that contained in paragraph II.E. (which shall be binding upon the parties upon counter-signature and acceptance of this LOI by Education Realty Group), no legal rights and obligations between the parties shall be created or deemed to exist with respect to the Premises until the parties have fully executed and delivered the leases agreement described above.

CONFIDENTIALITY: The parties shall maintain in the strictest confidence all matters concerning (1) the terms of this Agreement, (2) any information or documentation related to the negotiations relating to this Agreement, and (3) the transaction set forth in this Agreement. If asked about any of the above matters, each party shall respond that it is not at liberty to discuss these matters because they are the subject of a confidentiality agreement. Notwithstanding the foregoing, the parties may disclose (i) information necessary to enforce their rights under this Agreement, (ii) information which the parties are required to disclose pursuant to due process of law, and (iii) such limited information concerning this Agreement to such persons required to have knowledge of such information in order for the parties to comply with the terms and conditions of this Agreement. Landlord and Tenant agree not to issue any press release or make any public disclosure concerning the transaction contemplated hereby without the prior written approval of the other party, and agree not to disclose such matters except to such attorneys, accountants, lenders and others as are reasonably required in order to consummate the transaction. A breach of this covenant shall entitle the aggrieved party to damages caused by such disclosure as well as injunctive relief. The term of this paragraph shall survive the expiration or termination of this Letter of Intent.

We believe MEC and SFCP both have an opportunity to create substantial real estate value for your new Campus. The Murrieta Education Center will bring a positive and lasting value to the citizens of the Murrieta – Temecula Valley. We look forward to your response to the above. Please contact us should you have any comment or questions.

Sincerely,

St. Francis College Preparatory High School

Mike Fitzpatrick, Board Chairman

November 13, 2015
Date

Accepted and approved this 13 day of November, 2015

Lawrence H. C. Smith

A.G. Kading

Education Realty Group, Inc.
Vice President

Education Realty Group, Inc.
President