

**High Desert “Partnership in Academic Excellence” Foundation, Inc. dba  
LEWIS CENTER FOR EDUCATIONAL RESEARCH**

17500 Mana Road, Apple Valley, CA 92307 (760) 946-5414 (760) 946-9193 fax

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**Agenda for Regular Meeting of the Lewis Center for Educational Research Board  
October 14, 2019 - Public Meeting – 4:00 p.m.**

**Meeting at Norton Science and Language Academy  
503 E. Central Ave., San Bernardino, CA 92408, K5**

**Additional Location: 17500 Mana Rd., Apple Valley, CA, Gym Conference Room**

1. **CALL TO ORDER AND PLEDGE OF ALLEGIENCE:** Duberly Beck
2. **ROLL CALL:** Duberly Beck
3. **PUBLIC COMMENTS:** Members of the general public may address the Board during Public Comments or as items appearing on the agenda are considered. A time limit of three (3) minutes shall be observed. Those wishing to speak are invited to fill out a Request to Speak Card and give it to the Secretary.
4. **SPECIAL PRESENTATIONS:**
  - .01 Chinese Delegation – Lisa Lamb, Fausto Barragan, Marcelo Congo
  - .02 University of New Mexico Grant Presentation - Dr. Lee Swanson, Erin Mason and Jennifer Kong
  - .03 Provide update on Dashboard Local Indicator Results for both schools and preview 2018-2019 CAASPP Comparative Reports - Heather Juarez, Valli Andreasen, Fausto Barragan
5. **CONSENT AGENDA:**
  - .01 Approve Minutes of September 9, 2019 Regular Meeting – Pg 3
  - .02 Approve Amended MOU and College and Careers Access Pathways Partnership Agreement – Pg 6
  - .03 Approve AAE Class of 2020 Disneyland Grad Nite Field Trip June 5-6, 2020 – Pg 11
6. **DISCUSSION/ACTION ITEMS:**
  - .01 Approve LCER Strategic Plan 2019-2024 – Lisa Lamb – Pg 14
  - .02 Approve Creating 2 new LLCs (17500 Mana Rd LLC and 230 South Waterman LLC) and the Creation of a Bank Account for Each New LLC in order to process payments for the new bonds per investor requirement – Lisa Lamb, David Gruber, John Phan – Pg 51
  - .03 Ratify approval of Resolution NO. 2019-02 – Declaring an Official Intent to Reimburse Itself From the Proceeds of a Future Borrowing for Capital Expenditures and Providing Certain Other Matters in Connection Therewith – Pg 55
  - .04 Approve Charter School Property Solutions Development Consultant Services Agreement – Pg 58
  - .05 Approval of Board Resolution and attached draft documents authorizing issuance of tax exempt bonds to finance facilities projects for Academy of Academic Excellence – Pg 75
  - .06 Approve BP 2121- Administration President/CEO Employment Agreement Revision – Stacy Newman – Pg 132
  - .07 Discuss Lewis Center Foundation Update – Marcia Vargas
  - .08 Discuss Proposed Change of November 12, 2019 LCER Board Meeting Location from AAE to AVCI to Coordinate with NASA Headquarters Visit and Evening Event – Lisa Lamb
7. **INFORMATION INCLUDED IN PACKET:** *(Board members may ask questions on items for clarification.)*
  - .01 President/CEO – Lisa Lamb – Pg 137
  - .02 LCER Financial Reports
    - Checks Over \$10K – Pg 144
    - Budget Comparisons – Pg 145

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.03 Lewis Center Foundation Financial Report

- August 2019 – Pg 147

.04 LCER Board Attendance Log – Pg 148

.05 LCER Board Give and Get – Pg 149

**8. BOARD/STAFF COMMENTS:**

.01 Ask a question for clarification

.02 Make a brief announcement or report on his or her own activities

.03 Future agenda items

**9. CLOSED SESSION: Duberly Beck**

.01 Public Employee Performance: President/Chief Executive Officer

**10. ADJOURNMENT: Duberly Beck**

**Regular Meeting of the  
Lewis Center for Educational Research Board of Directors**

**Minutes  
September 9, 2019**

**1.0 Call to Order**

Chairman Duberly Beck called the meeting to order at 4:01 p.m.

**2.0 Roll Call**

LCER Board Members Duberly Beck, Omari Onyango (arrived at 4:10 p.m.), Sharon Page, David Rib, Jessica Rodriguez, and Rick Wolf were present.

LCER Board Member Jim Morris, Pat Caldwell, and Marcia Vargas were absent.

Staff members Valli Andreasen, Fausto Barragan, Matt Cabe, Elizabeth Chronister, Marcelo Congo, Ryan Dorcey, Teresa Dowd, David Gruber, Heather Juarez, and Lisa Lamb were also present.

**3.0 Public Comments: None.**

**4.0 Special Presentations:**

- .01 AAE Ambassadors Brielle DeLaHoussaye, President and Alex North, Vice President, updated the Board on activities at AAE such as the Chinese Delegation visit, the voice over of the Mojave Water Agency video, and the planning of the 9/11 ceremony.
- .02 Heather Juarez reported that NSLA received a WASC accreditation of 6 years. The Academic Leadership Team is staying on top of the action plan. Strengths and weaknesses were reviewed. Rick asked why Spanish was a strength but Biliteracy was a weakness. It is due to seeing the Spanish in the classroom vs. students actually being biliterate. The WASC committee felt NSLA was overstaffed and encouraged us to look at that for sustainability. There are a lot of support staff, counseling and student services. We also need to add more rigor to MS.

**5.0 Consent Agenda**

- .01 Approve Minutes of August 12, 2019 Special Meeting
- .02 Approve Minutes of August 9, 2019 Special Meeting
- .03 Approve Updated 2019 LCER Board Calendar
- .04 Approve AAE European Field Trip March 21 – April 3, 2020

On a motion by Rick Wolf, seconded by Sharon Page, vote 6-0, the LCER Board of Directors approved Consent Agenda Items 5.01 – 5.04.

**6.0 Discussion/Action Items:**

- .01 Approve Urban Futures Engagement Letters for AAE and NSLA – The prior engagement letter was for NSLA only, and was approved for \$85K. The new agreements are \$65K each. A lot of the work is the same regardless of the bond amount and the scope of work has grown. On a motion by Sharon Page, seconded by Omari Onyango, vote 6-0, the LCER Board of Directors approved the Urban Futures Engagement Letters for AAE and NSLA.
- .02 Approve Charter School Property Solutions Development Consultant Services Agreement – This formal development agreement has gone through legal but has had some minor delays due to having to make up ground from the former developer. It was asked if there was a guaranteed timeline in the agreement with a penalty for delay within their control. We are anticipating a 2 month delay currently and want to start the bid process by January. Rick also wanted to be sure the payout schedule was

based on completion of construction and also that we were working on traffic and security. Duberly would like timelines for completion of the project in writing. CSPS is ok to postpone approval until the timeline is included. This item was tabled to the next meeting.

- .03 Approve Resolution NO. 2019-02 – Declaring an Official Intent to Reimburse Itself From the Proceeds of a Future Borrowing for Capital Expenditures and Providing Certain Other Matters in Connection Therewith – It was brought to our attention that the resolution figures were different than the Tefra notice figures. These figures are “not to exceed” amounts and allows us to reimburse ourselves from tax exempt bonds. The figures should be consistent and we will revise the figures to match. On a motion by Sharon Page, seconded by David Rib, vote 6-0, the LCER Board of Directors approved Resolution NO. 2019-02 with the figures updated to \$15K and \$45K.
- .04 Discuss AAE Bond Refinancing and Capital Improvement Needs – John Phan and David Gruber reviewed a summary of financing scenarios. Three of them were with no added investment and three were with AAE projects of need included such as an 8K sq ft multipurpose room with a stage, repurposing the cafeteria into science labs, athletic fields, updating the asphalt parking lot, shade, and special education needs. John indicated that now would be the best time to take on additional debt for AAE. The addition of AAE debt was presented to AAE staff with positive feedback. There are options for shorter terms as well. We can prepay without penalty in year 9 or 10. We currently have 1.1 million in reserve, but would like to increase that to 3 million.
- .05 Discuss Bond Financing Update and Tefra Notice for AAE and NSLA Including Timeline Projections – John stated that the timing for AAE would be to close by late November. Staff are working on due diligence items. The Tefra Notice is required for tax exempt bonds and notifies the public that the project is taking place. They can comment at the County Board meeting in October. We will be going to the rating agency this month. After January 1, 2020 projects will be subject to prevailing wage so we are going to expedite the schedule and have NSLA close by December. Usually investors want approval before financing closes, so finance will set up and escrow that cannot be accessed until approval. There will be additional interest expenses, but the savings is greater than prevailing wage.
- .06 Discuss NSLA Expansion Executive Committee Update – Lisa reported that the committee is planning to finalize the floor plans for NSLA and the pre-school. They are working hard to be sure site plans meet needs.
- .07 Discuss Strategic Plan Revision Update – Lisa sent out a draft of the Strategic Plan, which was reviewed. Several sections were revised and goals and objectives were updated. The history of the plan will be moved to an appendix
- .08 Discuss Succession Plan Update – The Personnel Task Force did not have any update. They have been reviewing documents but have not been able to meet.
- .09 Discuss AAE Charter Renewal Update and Timeline – Lisa, Valli and Heather are working on the AAE charter renewal. They would like to have a draft ready for the November LCER Board Packet and a final draft to AVUSD Board by December and a presentation at their January meeting. The lottery guidelines will need to be updated as we will not be able to accept students on the waiting list until they are age eligible for TK or K. Current students on the list will be grandfathered in.
- .10 Discuss Lewis Center Foundation Update – Matthew reported that the committee has over \$53K committed to sponsorships so far, and there are several sponsorships remaining. Expenses have been budgeted for \$16K. Board members were encouraged to give or get, or volunteer. David Rib volunteered to help that morning.

## **7.0 Information Included in Packet:**

- 01.** President/CEO Report –
- 02.** LCER Financial Reports
  - Checks Over \$10K
  - Budget Comparisons

- 03. Lewis Center Foundation Financial Report
  - June 2019
- 04. LCER Board Attendance Log
- 05. LCER Board Give and Get
- 06. AVUSD Correspondence Re: LCER Budget

**8.0 Board/Staff Comments:**

**.01 Ask a question for clarification**

**.02 Make a brief announcement** – Lisa invited the Board to the 9/11 ceremony at AAE. She also reported that the Science on a Sphere should be installed next week. Also the CCSA Conference is March 16-19, 2020. Let Teresa know if your interested in attending.

**.03 Make a brief report on his or her own activities**

**.04 Future agenda Items**

**9.0 Closed Session:**

The LCER Board of Directors convened into closed session at 6:19 p.m. to discuss:

.01 Public Employment: President/Chief Executive Officer

.02 Public Employee Performance: President/Chief Executive Officer

The LCER Board of Directors reconvened into open session at 6:37 p.m. Chairman Duberly Beck reported that no action was taken in closed session.

**10.0 Adjournment**

Chairman Duberly Beck adjourned the meeting at 6:38 p.m.

**Lewis Center for Educational Research  
LCER Board Agenda Item Cover Sheet**

Date of meeting: October 14, 2019

Title: Amended Memorandum of Understanding and CCAP Partnership Agreement

Presentation:        Consent:   X   Action:        Discussion:        Information:       

**Background:**

The Board approved the original MOU and CCAP Partnership AGREEMENT between Victor Valley Community College District and the Lewis Center for Educational Research on June 10, 2019. This amendment is meant to revise the course offerings within the AGREEMENT Appendix of the previously approved MOU. After Board approves, Lisa Lamb would sign the agreement, make a copy, and return to Jill Caldwell at:

Victor Valley College  
Atten: Jill Caldwell  
18422 Bear Valley Rd.  
Victorville, Ca. 92395

**Fiscal Implications (if any):**

All other terms and conditions of the MOU and AGREEMENT remain unchanged. The SCHOOL will invoice the COLLEGE at the end of each semester for the use of instructional space and instructional services rendered per course unit at the rate of \$500.00 per unit.

Example: One three-unit course = \$1,500.00.

The SCHOOL will provide instructor-selected textbooks for students. This would be the main fiscal consideration.

**Impact on Mission, Vision or Goals (if any):**

Prepares students for likely success after graduation. Students learn the structure and rigor of college courses before entering a post-secondary institution.

**Recommendation:**

Approval of the Amended Memorandum of Understanding and College and Careers Access Pathways (CCAP) Partnership Agreement for 2019/2020 and 2020-2021.

**Submitted by:**

Valli Andreasen, AAE Prinicpal

**FIRST AMENDED MEMORANDUM OF UNDERSTANDING  
AND COLLEGE AND CAREERS ACCESS PATHWAYS PARTNERSHIP AGREEMENT  
BETWEEN VICTOR VALLEY COMMUNITY COLLEGE DISTRICT  
AND THE LEWIS CENTER FOR EDUCATIONAL RESEARCH  
FOR THE 2019/2020 AND 2020/2021 SCHOOL YEARS**

Victor Valley Community College District “COLLEGE” and The Lewis Center for Educational Research “SCHOOL DISTRICT” have agreed to the following amendments to the current July 1, 2019- June 30, 2021 Memorandum of Understanding “MOU” and College and Career Pathways (CCAP) Partnership Agreement “Agreement.” This Amendment is meant to revise the course offerings within the AGREEMENT Appendix. All other terms and conditions of the MOU and AGREEMENT shall remain unchanged and in full force and effect.

**RECITALS**

WHEREAS, California Education Code section 76004 allows community colleges to enter into a College and Career Access Pathways (CCAP) partnership with the governing board of a school district for the purpose of offering or expanding dual enrollment opportunities with the goal of developing seamless pathways from high school to community college; and

WHEREAS, the mission of the COLLEGE includes providing educational programs and services that are responsive to the needs of the students and communities within the Victor Valley Community College District; and

WHEREAS, on April 21, 2019 COLLEGE and SCHOOL DISTRICT adopted this MOU and AGREEMENT governing the 2019/2020 and 2020/2021 CCAP programs; and

WHEREAS, the COLLEGE and the SCHOOL DISTRICT agree to record COLLEGE and SCHOOL DISTRICT specific components of the AGREEMENT using the Appendix for purposes addressing mandated reporting requirements to include, but not limited to, the total number of high school students to be served and the total number of full-time equivalent students projected to be claimed by the community college district for those students; the scope, nature, time, location, and listing of community college courses to be offered; and criteria to assess the ability of pupils to benefit from those courses; and

WHEREAS, the AGREEMENT Appendix shall also be used to record protocols for information sharing in compliance with all applicable state and federal privacy cases, joint facilities use, and parental consent for high school pupils to enroll in community college courses; and

WHEREAS, in August 2019 COLLEGE was audited and determined that the courses actually being taught were inconsistent with the 2019/2020 and 2020/2021 AGREEMENT Appendix; and

WHEREAS, COLLEGE now desires to amend the MOU and AGREEMENT, pursuant to MOU section 22.1, to be consistent with the courses actually offered to students under the MOU and AGREEMENT.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

## APPENDIX: COLLEGE AND CAREER ACCESS PATHWAYS (CCAP) PARTNERSHIP AGREEMENT

### 1.0 COLLEGE AND SCHOOL DISTRICT INFORMATION

#### 1.1 COLLEGE AND SCHOOL DISTRICT POINT OF CONTACT

<u>College/District</u>	<u>Name</u>	<u>Telephone</u>	<u>Email</u>
Victor Valley College	Chris Piercy	760-559-6991	<a href="mailto:Chris.Piercy@vvc.edu">Chris.Piercy@vvc.edu</a>
Lewis Center ER	Valli Andreasen	760-946-5414	<a href="mailto:vandreasen@lcer.org">vandreasen@lcer.org</a>

**PROGRAM YEAR: 2019/2020**

COLLEGE: Victor Valley College

#### 1.2 APPROVED CCAP COURSES

The COLLEGE and the SCHOOL DISTRICT agree to the following courses being approved and available to participating schools as part of their CCAP offering. Availability may be limited due to the ability of the COLLEGE to staff the requested course. **No course will be offered during the duration of this MOU that is not on this approved list.**

#### Approved CCAP Courses for 2019-2020 & 2020-2021

<u>Subject</u>	<u>Courses</u>	<u>Subject</u>	<u>Courses</u>
AGNR	170,175	ENGL	45,101, 101+81,102,104
ANTH	101	FIRE	101,102
ART	101.125	GEOG	101
ASL	122,123,124,125	GEOL	101
ASTR	101	GUID	50,51,56,100,101,105
AUTO	77.3	HLTH	102
AVA	50,50A,50B	HST	103,104,117,118
BADM	100,109,112,118	MATH	105,105+85,120,120+80
BIO	100	PAL	100
CHDV	100,106	PHIL	101
CHEM	100	PHOTO	101,111
CIS	101	PHYS	100,202
CJ	92,93,101,103,104,130,135	POLS	101,102
CMST	106,109	PSCI	101
CT	130	PSYCH	101,110
CTMF	121A,121B	RMGT	2,7
CTMT	120	SOC	101
ECON	101,102	SPAN	101,102
EMS	50,60	TA	101,106
ALDH	139	EDUC	101



**1.3 DATE, TIME, AND LOCATION OF ALL CCAP COURSES**

All COLLEGE CCAP courses will be taught on the school site designated for each course. Classrooms will be assigned by the site administrator and will possess all required equipment. CCAP classes will be taught during the official school day Monday through Friday. CCAP courses can be taught on Saturday if the SCHOOL DISTRICT designates it as an official school day and part of their overall instructional plan.

**1.4 BEGINNING AND ENDING DATES FOR ALL CCAP COURSES IN THE SCHOOL DISTRICT(S)**

Fall 2019 classes will begin the week of August 5th and run through the week of December 16th. Spring 2020 classes will begin the week of January 13th and run through the week of May 4th.

**1.5 CCAP 2019-2020 COURSE TIME PERIOD**

SCHOOL DISTRICT courses will begin at 12:33 P.M. and end at 3:23 P.M.

**1.6 COURSES REQUESTED**

Fall 2019, the Academy for Academic Excellence requested courses GEOG 101L; GEOL 101; and GUID 101.

**1.7 FTES 2019-2020 ESTIMATE**

The number of requested courses for 2019-2020 was 197. Based on average of 20 students per class (minimum requirement is 20) 3,940 students will be served. Total FTES estimate for 2019/2020 is 496.98.

**2. PROGRAM SCOPE/GOAL**

SCHOOL DISTRICT will provide both CTE and transfer courses to students who may not be college bound and who are underrepresented in higher education through this CCAP agreement. The goal of the program will be to develop seamless pathways that prepare students for transfer to COLLEGE and CSU/UC as well as CTE pathways aligned with the particular high school programs. CTE pathways at the high schools include Computer Science, manufacturing/Construction Tech, Engineering, Information and Communication Technologies, Family and Consumer Science, Automotive, Healthcare, and Environmental Studies.

**3. BOOKS AND INSTRUCTIONAL MATERIALS**

The total cost of books and instructional materials for students participating as part of the CCAP agreement will be borne by school district.

**4. ASSESSMENT OF BENEFIT TO STUDENTS**

COLLEGE is responsible for the tracking of students from SCHOOL DISTRICT to the college in order to assess the benefit gained from the courses in this agreement. Criteria will include, but is not limited to: the number of high school students enrolled in partnership, number of college courses offered, number and percentage of successful course completions, and number of FTES generated.

**5. EMPLOYER OF RECORD**

COLLEGE will be the employer of record for purposes of assignment monitoring.

**6. EDUCATIONAL PROGRAMS(S) AND COURSE(S)**

COLLEGE is responsible for all educational programs(s) and course(s) offered as part of this CCAP Agreement whether the educational programs(s) and course(s) are offered at the SCHOOL DISTRICT or the COLLEGE. School District is responsible for providing COLLEGE with a two-year course plan 150 days before the start of the first semester of this agreement. Requests for additional courses must be made no later than 90 day prior to the start of the semester. It is understood that the COLLEGE has the option of filling or not filling requested courses based on availability of instructors.

Executed on \_\_\_\_\_ 2019

By: \_\_\_\_\_  
Superintendent, SCHOOL DISTRICT

By: \_\_\_\_\_  
COLLEGE

**Lewis Center for Educational Research Board  
Agenda Item Cover Sheet**

Date of meeting: October 14, 2019

Title: Class of 2020 Disneyland Grad Nite Field Trip

Presentation:      Consent:   X   Action:      Discussion:      Information:     

Background:

Fiscal Implications (if any):

Impact on Mission, Vision or Goals (if any):

Recommendation: To approve the Disneyland Grad Nite 2020 Field Trip.

Submitted by: Name: Cynthia Allen Title: Counseling Assistant Department: Counseling

## Disneyland Grad Nite 2020

### Additional information for field trip June 5 – 6, 2020

Travel Arrangements: Students will be transported to and from the Disneyland Resort by Charter Bus. Depart school on Friday, June 5th 10:00am and return Saturday June 6th 4:30am.

Daily Itinerary: Students will spend the day at both parks - Disneyland and California Adventure. Students will have a designated check in time in California Adventure between 8:30pm and 9:00pm. Students will remain in California Adventure for the remainder of the evening until the Grad Nite event ends at 2:00am.

### Chaperones:

Mrs. Allen, Mrs. Cook, Mrs. Andreasen and/or Mrs. Ritchie, Mrs. Wilmeth -Street, Mrs. Flores, Mr. Henderson, Mrs. Gormley, Mrs. Bonacio and one additional chaperone to be determined.



**LEWIS CENTER FOR EDUCATIONAL RESEARCH  
Academy for Academic Excellence**

**FIELD TRIP REQUEST FORM**

Date Submitted: September 26, 2019

<u>Office use only</u>
Date/Time submitted: _____
Initials: _____
Transportation Booked: _____
Initials: _____
Calendared: _____
Initials: _____

Requested by: Cynthia Allen  
 Destination: Disneyland Resort for Senior Grad Nite 2020  
 Date(s) of trip: June 5th - June 6th  
 School departure time: Friday, June 5th 10:00am  
 Destination departure time: Saturday, June 6th 3:00am  
 Overnight/Out-of-State stay:  YES  NO  
 Number of students: 100 adults: 10

Phone: \_\_\_\_\_  
 Grade Level: 12th  
 Destination arrival time: 11:30am  
 School return time: 4:30am  
 Water activities involved: YES   NO  
 Admission students: \$242 adults: \_\_\_\_\_

**Transportation**

Bus requested? <sup>(circle one)</sup>  YES  NO Bus company name: Ebmyer Charter  
 Number of busses requested: 2 Bus company contact name: \_\_\_\_\_  
 \*\*\*Bus Passenger information: Number of students: 100 adults: 10

Private Vehicle Used?\* YES   NO  
 ASB/Club Sponsored? YES   NO Name of Club: \_\_\_\_\_  
 (paid by club)  
 Proper Insurance Coverage? YES   NO Other Transportation: \_\_\_\_\_

*\*Must be on approved driver list, list names below or attach separate sheet with driver names:*

_____	_____
_____	_____
_____	_____

**Brief Description of Educational Benefit to be derived from this activity:**

I have followed the checklist prior to submitting this form: Cynthia Allen  
 Principal Signature: Halli Anderson **Teacher Signature**  
 Funding Code: \_\_\_\_\_ Date: 9/26/19

BOARD APPROVAL REQUIRED FOR OVERNIGHT/OUT-OF-STATE STAYS and WATER ACTIVITIES  
 A DETAILED ITINERARY MUST BE INCLUDED FOR EACH FIELD TRIP  
 THREE MONTHS PRIOR BOARD APPROVAL FOR OUT OF THE COUNTRY TRIPS

**LEWIS CENTER FOR EDUCATIONAL RESEARCH**

**STRATEGIC PLAN**  
**July 1, 2019 – June 30, 2024**

**The plan for our future**

**Adopted October 14, 2019**

**Lewis Center for Educational Research  
STRATEGIC PLAN**

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**Lewis Center for Educational Research**  
**STRATEGIC PLAN**  
**The plan for our future**

**Our Plan**

Our plan charts a course that is bold yet attainable. Our vision calls for the Lewis Center and its schools to be nationally recognized as successful role models for others wishing to provide relevant education and unlimited opportunity to those they serve – as we do. The plan lays out how we, an operator of two uniquely different charter schools serving two distinctly different demographics, will align our efforts over the next years to achieve the goals our students, parents and communities have a right to expect and enjoy.

We recognize our responsibility and the leadership we have been entrusted to provide. We also recognize the value and impact of what becoming a model institution of our kind can mean. The stakes are high, but so is the opportunity when our vision is achieved.

**MISSION**  
**Why we exist**

The mission of the Lewis Center for Educational Research is to ensure student success in a global society through data driven and research-based schools and programs that are safe, innovative and culturally inclusive.

**VISION**  
**What we want to be known for**

The Lewis Center for Educational Research is internationally recognized as a leader in education due in part to its unique, long-term partnership with NASA. The Lewis Center's two award-winning TK-12 charter schools are model programs for STEAM and World Languages.

The Lewis Center is deeply involved in serving its two communities — the High Desert and San Bernardino, as well as the greater educational community — through its local and global programs.

The Lewis Center's excellent reputation can be attributed to its highly qualified, enthusiastic staff who — with the support of engaged parents, Board members and stakeholders — ensure students achieve at the highest academic levels.



## VALUES

### **Ethical priorities to guide our decision-making and our treatment of one another**

**Integrity:** We strive to engender trust in our intentions and abilities by acting courageously and adhering to a strong moral compass.

**Excellence:** We aspire to excellence through supporting our community of learners in the practice of continuous innovation, collaboration and growth.

**Leadership:** Being forerunners, pace-setters and cultivators, we demonstrate strong leadership rooted in principles of integrity, accountability, respect and communication.

**Inclusiveness:** We will leverage our diverse and inclusive community to achieve superior results in the field of education.

**Lewis Center for Educational Research  
STRATEGIC PLAN**

**GOALS  
Goals to achieve our vision  
(Updated Annually)**

**Financial/Fiscal**

Goal 1: Build the financial capacity of the LCER, including key provisions for sustainability.

**Facilities**

Goal Two: Develop and maintain facilities to meet the TK-12 needs at both campuses.

**Student Success**

Goal 3: Strengthen the academic programs at both schools resulting in increased student mastery while preparing every student for post-secondary success in the global society.

**Staffing**

Goal 4: Recruit, develop and retain a highly qualified and diversified staff.

**Organizational Effectiveness**

Goal Five: The Lewis Center for Educational Research will communicate and operate under a common vision, mission, goals and objectives.

**Lewis Center for Educational Research  
STRATEGIC PLAN**

**OBJECTIVES  
The outcomes we expect**

**Financial/Fiscal**

**Goal 1: Build the financial capacity of the LCER, including key provisions for sustainability.**

- 1.1 Objective: Each school will maintain a reserve balance of less than 4% of the total operating budget. Reserves will be defined as unencumbered cash balance.  
Strategy: The annual budget will be developed with reserves set aside to meet this goal and build the cash fund balance for each school.  
Strategy: Savings from personnel vacancies will not be allocated to meet other needs within a budget cycle.  
Strategy: A deferred maintenance plan will be considered in the development of the annual budget.
- 1.2 Objective: Support oversight and accountability of funds by LCER budget managers through monthly financial reports which include budget-to-actuals.  
Strategy: Staff will utilize the purchasing procedures across the organization to ensure accuracy of monthly reports.  
Strategy: Hold mid-year budget workshops with all budget managers.  
Strategy: Hold annual budget workshop with Board and Executive staff.
- 1.3 Objective: Most restrictive dollars (i.e.: categorical funding, one-time monies, Special Education funding, grants, etc.) will be utilized first and according to funding requirements and as approved by School Site Council.  
Strategy: Principals will receive clear communication regarding all restrictive dollars, the total amount of each fund, and reporting requirements and timelines.  
Strategy: The planning for this spending will be initiated with the development of the annual budget. As information is released from the State and Federal governments, these plans will be updated and communicated to the Board and stakeholders.  
Strategy: The LCAP will steer budget development and fund priorities based on student learning outcome goals.
- 1.4 Objective: The Foundation Board will raise funds to support the needs of LCER schools and programs.  
Strategy: The Foundation will continue to host the annual gala each spring with the proceeds allocated 50/50 toward each schools' capital campaigns.

Strategy: Foundation Board will host an additional event each fall that will cultivate our donors and raise additional funds.

Strategy: Foundation Board members will work to cultivate donors throughout our communities by attending local events and promoting the Lewis Center.

## Facilities

### **Goal 2: Develop and maintain facilities to meet the TK-12 needs at both campuses.**

2.1 Objective: Complete NSLA TK-12 and Head Start campus in Winter/Spring 2021.

Strategy: Finalize the settlement and new lease agreement with County and City.

Strategy: Continue to work with school development and finance teams to facilitate the construction and bond process.

Strategy: Secure the best option for financing of the construction to ensure long-term sustainability and feasibility for NSLA.

2.2 Objective: Create a deferred maintenance schedule to properly identify and address needs of aging equipment, building and infrastructure.

Strategy: Hold monthly meetings with Director of Finance, Facilities Manager, Principals and CEO to evaluate needs and monitor progress.

Strategy: Create annual staff and student surveys regarding maintenance and campus condition to guide planning and ensure safety.

Strategy: Create contingency plans for major system malfunctions in order not to interrupt instructional time.

2.3 Objective: Monitor technological systems to protect against external and internal security threats.

Strategy: Continue to modernize systems across campuses including: cameras, lighting, and alarms with law enforcement access as an important consideration.

Strategy: Continue to utilize e-rate funds to modernize the current system.

2.4 Objective: Utilize the refinancing of the AAE Bonds to address capital campaign needs (i.e. Multipurpose Room, secondary science labs, additional athletic and P.E. fields, special education, parking lot rehabilitation, etc.).

Strategy: The Board and staff will research the best financing options to provide for continued stability and long-term planning.

Strategy: The staff will facilitate stakeholder input to create a prioritized facility plan for AAE that will drive the decisions for how best to utilize the additional funds.

## Student Success

**Goal 3: Strengthen the academic programs at both schools resulting in increased student mastery while preparing every student for post-secondary success in the global society.**

3.1 Objective: Both schools will demonstrate continued increases in student mastery in the area of Mathematics as reported on the California School Dashboard.

Strategy: Both schools will support the implementation of the adopted Math curricula through ongoing professional development and training.

Strategy: Both schools will increase STEAM offerings across grade levels to reinforce and support cross-curricular application of mathematical standards and concepts.

Strategy: AAE will offer fee reductions/waivers for SAT/ACT/AP preparation classes and tests to increase student participation and passing rates.

3.2 Objective: In order to decrease referrals for counseling and behavior incidents, both schools are implementing curricula at the elementary, middle and high school to support Social Emotional Learning (SEL). The collective outcomes of these strategies are to: enhance the ability of students to self-regulate, strengthen relationships amongst students and staff, and empower teachers to support SEL needs in the classroom.

Strategy: Both schools have adopted the Positive Prevention Plus curriculum in alignment with the California Healthy Youth Act AB329. This will be taught at the seventh and ninth grade levels.

Strategy: Both schools are piloting the Stanford Harmony curriculum at the elementary level. Stanford Harmony is a social emotional learning program for Pre-K-6 grade students designed to foster communication, connection, and community both in and outside the classroom, and develop boys and girls into compassionate and caring adults.

Strategy: NSLA has adopted the Habitudes curriculum for middle school. The Habitudes curriculum helps to instill valuable life skills into middle and high school students and prepares them to be authentic leaders.

3.3 Objective: Both schools will develop a more robust STEAM strand that builds upon itself in grades TK-12.

Strategy: AAE purchased a new classroom set of laptops to support the HS Computer Science courses. There will be additional efforts to increase enrollment in these classes.

Strategy: Both schools will increase student involvement in space science and aviation learning opportunities (i.e.: GAVRT, NASA's BEST, Space Science Electives, NASA Public Talks, AVCI STEM Nights and field trips, AFJROTC, AEX/Civil Air Patrol, community events and STEM camps).

Strategy: Partner with community agencies to support real-world STEAM applications at the middle/high school levels.

Strategy: Support professional development for teachers in the areas of technology, Next Generation Science Standards, GAVRT, visual and performing arts, and science.  
Strategy: Both schools will increase offerings such as: coding, engineering, computer science, robotics, and makerspace.

3.4 Objective: Both schools will support the LCER mission of creating global citizens through academic and co-curricular offerings.

Strategy: Field and study trips that support this objective will be encouraged for both students and staff (i.e.: Chilean Exchange, Chinese Delegation Exchange, international field trips, cultural activities, etc.)

Strategy: Develop the World Language component of the NSLA High School Program and seek ways to share courses between the two high schools.

Strategy: Seek community and governmental partners to provide real-world opportunities for global learning to students (i.e.: internships, field trips, collaborative projects, etc.)

## **Staffing**

### **Goal 4: Recruit, develop and retain a highly qualified and diversified staff.**

4.1 Objective: Evaluate ongoing and new recruitment efforts to ensure that all positions are filled with highly-qualified and diversified staff.

Strategy: Attend teacher recruitment job fairs specific to San Bernardino County.

Strategy: Recruit job seekers on EdJoin (certificated and classified) and various outside online job platforms and local newspapers (classified).

Strategy: Increase and leverage community involvement (i.e.: chamber memberships, economic development forums, community alliances, community cultural organizations, etc.) to elevate LCER's reputation across our communities and recruit diverse applicants for open positions.

4.2 Objective: Develop a comprehensive succession plan for all key positions.

Strategy: Under the direction of a board-appointed task force, research and draft a succession plan for the CEO.

Strategy: Under the direction of the CEO, the Executive Team will also draft internal plans within their departments to develop staff for growth opportunities for internal promotion.

Strategy: Develop LCER board and Lewis Center Foundation Board succession plans.

4.3 Objective: Invest in professional development for classified and certificated staff and board members.

Strategy: Utilize categorical and general funding to support teacher professional development that is aligned with student learning goals as stated in the LCAP.

Strategy: Support embedded and ongoing professional development in alignment with the adopted Math and Science curriculum.

Strategy: Develop management and classified capacity through internal and external trainings.

4.4 Objective: Create a highly attractive environment for staff which increases and/or maintains staff retention rates LCER-wide.

Strategy: Continue to seek ways to increase compensation for staff using salary comparisons as a guide for priorities.

Strategy: Provide opportunities for shared decision making through PLCs, surveys, ALTs, task forces, cross-organization collaboration, etc.

Strategy: Maximize the flexibility afforded to us as a charter in all areas.

## **Organizational Effectiveness**

**Goal 5: The Lewis Center for Educational Research will communicate and operate under a common vision, mission, goals and objectives.**

5.1 Objective: The Board of Directors and Executive Team will continue to participate in annual strategic planning. Progress toward goals will be reported monthly via the CEO Board Report.

Strategy: Align the CEO's evaluation process to the progress toward the mission, vision and goals adopted in the LCER Strategic Plan.

Strategy: Develop a board evaluation process to support the LCER Strategic Plan.

5.2 Objective: Board and Executive Team will actively communicate LCER's mission to the stakeholders and communities that we serve.

Strategy: Each Executive Director will be engaged in key organizations within their area of expertise and will continue to seek opportunities to lead and present.

Strategy: Under the direction of the LCER PR and Marketing Coordinator, marketing and branding will increase through social media, print media, conference and community participation, and recruitment efforts as measured by monthly staff board reports.

Strategy: Communicate with parents of the school sites through School Site Councils, Parents and Pastries, Parent/Teacher Groups, English Learner Advisory Councils, Principal's Cabinets, school events, and ongoing communication to ensure that our reputation is strong (with the goal to measure increased attendance at these events or committees).

Strategy: Executive Team and LCER Support Staff will maintain an active presence on both campuses.

5.3 Objective: Increase communication with stakeholders regarding progress toward mission, vision, and goals.

Strategy: Give progress updates at All Staff Meetings (August, December, June).

Strategy: Hold open financial updates around Interim Reporting timeframes or any major financial developments with staff to ensure transparency in LCER finances.

Strategy: Hold annual LCAP stakeholder meetings to report our progress toward goals.

Strategy: Increase attendance at board meetings through staff calendar invites, social media posts, and staff and student presentations and recognitions.



# **Lewis Center for Educational Research STRATEGIC PLAN**

## **APPENDIX A**

### **Historical Background of Strategic Plan**

The Lewis Center for Educational Research (LCER) is in a transitional period in its life cycle. With the retirement of our charismatic, visionary founder, the Board of Directors and Executive Team determined that we are facing a challenging future. To plan for that future, and to assure that it is the future we want it to be, we decided to engage in strategic planning. Board members and senior administrators became the planning team. This team convened several times over a two-month period in the spring of 2016, and spent many hours examining issues and concerns, and to share thoughts, ideas and suggestions on the future of LCER and its two charter schools. The results of those sessions are contained in this strategic plan.

### **Process**

In order to address immediate concerns, the planning team first held a five hour "strategic issues" session. Administrative staff presented update reports on issues identified at an earlier board retreat held in November, 2015. Staff asked for and received direction from the Board on most of these issues which are presented in Appendix B.

The strategic issues session was followed by a full day planning meeting. During the morning session, discussion continued on issues where, due to time constraints at the earlier meeting, direction was still desired by staff. The results of these discussions are presented in Appendix C. Meeting minutes from 2017 are presented in Appendix D, meeting minutes from 2018 are presented in Appendix D and meeting minutes from 2019 are presented in Appendix F.

The afternoon session was devoted to reviewing and modifying the LCER mission statement, developing a set of values, and completing a S.W.O.T. analysis. Statements to accompany the values were developed by a small volunteer task force who met a few days later. Those values and value statements are included in the body of the plan. The 2016 S.W.O.T. analysis is presented in Appendix G, the 2017 S.W.O.T. analysis is presented in Appendix H, the 2018 S.W.O.T. analysis is presented in Appendix I and the 2019 S.W.O.T. analysis is presented in Appendix J.

The third session was devoted to determining any remaining critical issues and developing strategic goals and objectives. Additionally, strategies for strategic management were discussed and responsibilities for developing and implementing action plans were assigned.

**Lewis Center for Educational Research  
STRATEGIC PLAN**

**APPENDIX B**

**Summary of Issues Discussed at February 25, 2016 Session  
(More Detail in Board Minutes)**

<b><u>Issues</u></b>	<b><u>Board's Concerns/Direction</u></b>
<u>Finances</u>	<ol style="list-style-type: none"><li>1. Policies and procedures need revision.</li><li>2. Some new policies and procedures need to be written.</li><li>3. Restructuring of debt need to be completed.</li><li>4. Tetra contract should be reviewed by legal counsel.</li><li>5. Concern that staff is not on top of these issues</li></ol>
<u>Staffing</u>	<ol style="list-style-type: none"><li>1. Grant writer position/person needs review.</li><li>2. Do we need a PR/Community relations position? Can we afford it?</li><li>3. Consulting contracts/position/expenditures need review.</li><li>4. Concern that staff is not on top of these issues</li></ol>
<u>Parity</u>	<ol style="list-style-type: none"><li>1. What is the cost of offering step or stipend for hard-to-fill positions such as BCLAD. Can we afford it? Stacy was given direction to cost out this option.</li><li>2. Stacy was also given direction to cost out other options such as help with repaying student loans, improving leave and benefit package, absorbing health care cost increases, adding additional years to the salary schedule. Stacy to report costs with recommendations to Finance Committee. Finance Committee to bring recommendations to the full Board.</li><li>3. Recruiting teachers is difficult due to salary schedule. Board member suggestion: what if we offered to pay for the last year or two of college in exchange for a multi-year commitment to LCER?</li></ol>
<u>Revenues opportunities</u>	<ol style="list-style-type: none"><li>1. Board directed staff to pursue offering one TK class at each school starting fall 2016.</li><li>2. Board agreed with staff recommendation to try to fill grade levels, thus increasing ADA.</li><li>3. Staff floated several other ideas for increasing revenues. The three that the Board seemed most interested in were cell tower, selling surplus land, and fundraising.</li></ol>

Norton

1. Difficulty in filling upper grades because students must be bilingual and biliterate. Enrollment in upper grades will increase as students in lower grades move up.
2. Low test scores – student must answer questions by writing in English – no exceptions for English learners. No similar schools to use for comparison in California.  
This is a concern for charter renewal.
3. Lease – needs to be renegotiated. Who is responsible? Current lease requires LCER to provide facilities for Head Start – current requirement for a new parking lot.
4. Relocation/expansion – CSUSB not an option. Could expand on current property. Could apply for Prop 39 and/or SB 740 funds.  
Who's responsible?

**Lewis Center for Educational Research  
STRATEGIC PLAN**

**APPENDIX C**

**Summary of Issues Discussed at February 29, 2016 Session  
(More Detail in Board Minutes)**

<u>Issue</u>	<u>Board's Concerns/Direction</u>
<u>Use of Thunderbird</u>	<p>1. Board straw vote provided direction to Gordon to pursue after-school, joint program with AVUSD; keep Board informed of progress.</p> <p>2. Board expressed desire to explore option of selling TBC building, but only with consideration for improvements made by LCER. Can we sell if we don't own the land? Do we need AVUSD's approval to sell? Who's responsible for doing this?</p>
<u>Norton</u>	<p>1. Board decided to have charter renewed as a TK-12 school; strengthen TK-8 program while high school being developed; explore alternative models for high school; to be implemented by next charter renewal; bring plan and timeline for implementation with cost analysis for both the high school and the planning effort to the Board; put timeline in the current charter renewal application; should someone be hired to lead the planning effort?</p> <p>2. Board agreed NSAA's name needs to be changed to reflect what is actually happening. The School Board committee, staff and parents should discuss and recommend name change to the full Board. Some suggested name changes included:</p> <ul style="list-style-type: none"><li>• Norton Language and Science Academy</li><li>• Norton Science and Language Academy</li><li>• Norton Academy</li><li>• Norton Academy for Academic Excellence</li></ul> <p>3. Should Norton have an English Only strand for 5-8? NSAA School Board committee and staff should bring recommendation to the full Board along with implementation plan and cost analysis if recommendation is "yes."</p>

Organizational issues

Should LCER change its name?

Board consensus was to keep the LCER name. Some of the reasons given were:

- Too costly to rebrand
- The community knows us as LCER; to change the name would confuse the community.
- The name gives us a priority (research), and we should develop more university partnerships to do research. (Who is responsible?)
- The name reflects our desire to try new things, innovate

Should there be more emphasis on fundraising?

Board consensus was “yes,” and to explore the option of pulling the Fundraising Committee from the Board and make it a separate fundraising foundation. Who will be responsible for this?

**Lewis Center for Educational Research  
STRATEGIC PLAN**

**APPENDIX D**

**Special Meeting of the  
Lewis Center for Educational Research Board of Directors**

**Minutes  
September 11, 2017**

1.0 Call to Order

Chairman Bud Biggs called the meeting to order at 12:10 .m.

2.0 Roll Call

LCER Board Members Bud Biggs, Buck Goodspeed, Kirt Mahlum, Kevin Porter, Russell Stringham, Peter Torres, Marcia Vargas and Rick Wolf were present.

LCER Board Members Duberly Beck, Andy Jaramillo, Jose Palafox and Regina Weatherspoon-Bell were absent.

Staff members Valli Andreassen, Fausto Barragan, Ryan Dorcey, Teresa Dowd, Jim Foley, Wes Kanawyer, Lisa Lamb, Stacy Newman, Toni Preciado, Jim Quinn and Paul Rosell were also present.

3.0 Public Comments: None

4.0 Discussion/Action Items on Strategic Planning

.01 Consultant Pat Caldwell Reviewed/Updated LCER Strategic Plan Mission, Vision and Values with the Board and staff.

- Mission: It was discussed and confirmed that we are using data driven and research proven practices at both schools, and the LCER is improving in this area. It was confirmed that we are innovative by using technology at both schools and seek opportunities that prepare our students. It was suggested to interview and get feedback on how we're doing from our graduates (college, trade, business, military), and from our teachers and parents as well. We feel the need to be innovative moving forward - being innovative is what makes us different. We need to balance innovation with legislation/day to day duties. Do we have a

safe and inclusive culture? At NSLA the location, facilities and traffic flow are unsafe, and traffic will increase with the additional warehouses. Upset parents are unsafe to the campus. Lisa noted that surveys show a positive response for safe campuses. Buck asked if safety should be moved up within the mission statement. At AAE outdoor facilities pose a safety hazard. Students feel safe per the student advisory council. It was asked if there is there diversity on the AAE student advisory council and if AAE has a real or perceived issue with diversity. We need to seek advice on how to increase diversity within the boundaries of a lottery enrollment. The Board needs diversity also.

- Vision: Are we exceeding needs? We are not “meeting” CAASP, let alone exceeding. What we're doing needs to be known. We need to tell our story and we need someone to tell it. Paul discussed how special ed students are included. We need to come up with a definition of “a focus on science”. We are leading the way in NGSS. Kevin noted we need more science emphasis at both schools. GAVRT doesn't touch our students. A dual immersion high school at NSLA was discussed. Is it a reality fiscally? Marcia feels it is possible. It should definitely be a language focus high school - teaching through the language. Paul asked if the goal is innovation or to prepare students for a global society. We will keep dual immersion high school in the vision. The Board can modify the strategic plan anytime. Marcia noted the need to develop a task force to decide secondary plans for NSLA. Community engagement can be better.
- Values: Last year our focus wasn't innovation. We can now move forward with it as a focus. Kevin felt things were handled in an excellent manner and we have had tremendous collaboration and growth. Lisa thanked Pat and Board for staying focused on plan over the last year.

.02 Consultant Pat Caldwell reviewed/updated LCER Strategic Plan strengths, weaknesses, opportunities and threats with Board and staff, and will incorporate them in the updated LCER Strategic Plan.

.03 Consultant Pat Caldwell reviewed/updated LCER Strategic Plan Existing Goals and Objectives. The goals are our highest priorities. Lisa Lamb provided an update on accomplishments towards the current goals.

Goal 1: “Improve the financial condition of the LCER, including key provisions for sustainability” - we are still working on this goal. Under Objective 1.2 – the budget needs to be more understandable for Board and staff. The date to accomplish this by was updated to December 2017. Kevin would like us to be proactive in looking at figures. Under Objective 1.3 - a 3% reserve is standard. The objective to have no less than two months of total payroll and costs in reserves is over and above the 3%.

Goal 2: “Renew Norton’s charter in December 2016 and continually strengthen the academic program” – the charter was renewed and we are in lease negotiations with the City and County of San Bernardino regarding the campus. We need to determine our final option and our budget. Lisa has been able to tell NSLA’s story to many during this process.

Goal 3: “The Lewis Center for Educational Research will be unified under a common vision, mission, goals and objectives” – we are still working on trust and transparency and will review the objectives.

.04 Consultant Pat Caldwell lead a discussion on identifying any new critical issues and goals and objectives. Lisa Lamb presented information on a new goal of academics that will be included in the updated LCER Strategic Plan.

Kirt asked that more information on what’s being done in math, robotics, etc. be included in the Board packets/meetings. Russ asked about coding and measureable results.

Lisa and Pat will make the revisions to the LCER Strategic Plan, and the Exec Team will review the objectives, and then bring the revised plan to the LCER Board for approval.

## 5.0 Adjournment

Chairman Bud Biggs adjourned the meeting at 3:30 p.m.



**Lewis Center for Educational Research  
STRATEGIC PLAN**

**APPENDIX E**

**Special Meeting of the  
Lewis Center for Educational Research Board of Directors**

**Minutes  
October 19, 2018**

1. **CALL TO ORDER:** Chairman Kevin Porter called the meeting to order at 8:35 a.m.
2. **ROLL CALL:** LCER Board Members Duberly Beck, Kirt Mahlum (arrived at 9:00 a.m.), Jim Morris, Omari Onyango (left at 2:30 p.m.), Kevin Porter, David Rib and Marcia Vargas were in attendance.

LCER Board Members Sharon Page and Rick Wolf were absent.

Staff members Valli Andreasen, Fausto Barragan, Ryan Dorcey, Teresa Dowd, David Gruber, Lisa Lamb and Stacy Newman and Paul Rosell were also in attendance.

Pat Caldwell facilitated the Strategic Planning.

3. **PUBLIC COMMENTS:** None
4. **DISCUSSION/ACTION ITEMS ON STRATEGIC PLANNING:**
  - .01 LCER Organizational Structure/Board and Staff Roles:** Pat Caldwell led an activity on the structure of the LCER. David Gruber also presented information on how LCER is funded.
  - .02 Review/Update LCER Strategic Plan S.W.O.T. Analysis:** Strengths, weaknesses, opportunities and threats were identified.
  - .03 Review/Update LCER Strategic Plan Existing Goals:** Pat Caldwell instructed the Board that strategic planning is visionary. The Board sets goals, which give direction for staff and the organization. Staff then develops objectives and strategies for how to implement the goals. Strategies can change throughout the year. Existing goals were reworded to the following:
    - Goal 1 – Build the financial capacity of the LCER, including key provisions for sustainability.
    - Goal 2 – Develop and maintain facilities to meet the TK-12 needs at both campuses.

Goal 3 - Strengthen the academic programs at both schools resulting in increased student mastery.

Goal 5 – (formerly Goal 4) The Lewis Center for Educational Research will communicate and operate under a common vision, mission, goals and objectives.

**.04 Identify any New Critical Issues and Goals:** The top 3 critical issues identified were: Successful NSLA expansion, financial stability/capacity, and maintain a high quality staff.

The following new goal was numbered as Goal 4 – Recruit, develop and retain a highly qualified staff.

The Executive Team will develop new objectives and strategies for implementing the goals, and the Strategic Plan will be revised and brought back to the Board for approval in February.

5. **ADJOURNMENT:** Chairman Kevin Porter adjourned the meeting at 3:30 p.m.

**Lewis Center for Educational Research  
STRATEGIC PLAN**

**APPENDIX F**

**Special Meeting of the  
Lewis Center for Educational Research Board of Directors**

**Minutes  
August 9, 2019**

1. **CALL TO ORDER:** Chairman Duberly Beck called the meeting to order at 8:25 a.m.
2. **ROLL CALL:** LCER Board Members Duberly Beck, Pat Caldwell, Jim Morris, Sharon Page, and Jessica Rodriguez (left at 1:00 pm.), Marcia Vargas and Rick Wolf were in attendance.

LCER Board Members David Rib and Omari Onyango were absent.

Staff members Valli Andreasen, Fausto Barragan, Matthew Cabe, Marcelo Congo, Ryan Dorcey, Teresa Dowd, David Gruber, Lisa Lamb and Stacy Newman were also in attendance.

Heather Kinney attended the afternoon session on behalf of SBCSS.

3. **PUBLIC COMMENTS:** None

4. **DISCUSSION/ACTION ITEMS:**

.01 Review and Update LCER Mission and Vision – the LCER Board stated they would like to be more informed verbally about data driven results. They would like to add Global Society into the objectives. The LCER Board and LCER staff divided into 4 groups to work on the mission and vision, and then had a discussion as a whole. There was a discussion whether “student success” or “school and programs” should be first in the mission statement. The new mission statement developed for approval within the updated Strategic Plan is: “To ensure student success in a global society through data driven and research based schools and programs that are safe, innovative and culturally inclusive.” A committee was developed to work on the vision – Lisa Lamb, Sharon Page, Matt Cabe and Fausto Barragan.

They will bring the vision forward for approval by the LCER Board.  
Information from the groups will be shared with the committee.

.02 Complete S.W.O.T. Analysis for 2019-20 School Year -

Strengths - NASA, passion, leadership, longevity, culture, safe, language, model-exemplary, campuses-facilities, student services, broadly supportive, different expectations, well-known, community, partnerships, diversity, committed board, parents, staff & faculty, Special Ed, inclusive, unique programs, STEAM, extra-curricular, diverse community, best practices, data driven, research based, PLCs, camaraderie, big wait list, curiosity, relationship with authorizers, relationships with elected officials, finances, stability, reputation, WASC accreditation, dual language, award winning programs, well established, back office structure, innovation, partnerships world wide, PR person, Lewis Center Foundation

Weaknesses - Internal marketing, student participation in GAVRT and space science classes, visibility, external marketing, local outreach needs to be reimagined, nobody knows our current story, not visionary, two schools working together to share best practices - still feels like forced play, branding, fundraising, energy of science teachers - no passion, competition for teachers, science isn't a fundamental part of our culture, salaries for teachers and administration, lack of science labs and resources, lack of team development in science programs, facilities a challenge, budgeting management of facilities, management of facilities - not enough special types of classrooms, maintenance and upkeep of grounds, not enough space, student recruitment at NSLA and AAE HS, grading policy no D, rigor, lack of fiscal and staffing to innovate, need more thinking outside of the box, challenge to meet the basics while enhancing ability to innovate, sports facilities at NSLA, stipends for sports staff, lack of school spirit, not enough onsite facilities for sports

Opportunities - NASA is cool right now, grant \$ for languages/STEM/low economic populations, college partnerships, optical telescope at CSUSB, parent connection, partnership opportunities, fundraising opportunities, artificial intelligence, leverage partnerships with business community, industry internships, cyber security program at CSUSB, free camp for ms girls, informal education partnerships (i.e. Discovery Cube), expand global exchanges, alumni involvement, local elected officials

Threats - political, California, litigious society, legislative, unfunded mandates, rules, compliance, CTA, other district compensation, other dual immersion programs, magnet schools, anti-immigration, tariffs, teacher shortage, city of SB disfunction, special ed law and litigation, vaping, social media, social-emotional trauma, mental health, cost of providing services, school safety, hard to keep up with changes - esp in technology, cost of doing it, home school charters/other educational opportunities, screen

time, cell phones, lack of human interaction, irrational parents, teachers who come with bad habits, cyber hacking

.03 Review Goals and Progress Made in 2018-2019 School Year – Lisa Lamb handed out progress on the goals and reviewed the current goals which she feels are still relevant.

.04 Finance Presentation – John Phan, Urban Futures Incorporated - Jim Morris recused himself for this presentation. John Phan reported that we interviewed and hired a new development team and the reasons for the change. He talked about the structure options for financing including concepts and terms. A tax exempt bond is the number one way for charters to finance. For the underwriter selection, two firms were chosen. Cross collateralization will not be required. We will need to establish two special purpose entities (LLC). This also allows an opportunity to refinance current bonds and separate additional financing to build AAE a multipurpose room as well as the NSLA new campus. The LCER Board would like a breakdown of how AAE can afford a higher loan amount. John will provide this.

.05 Norton Campus Expansion Development – Larry Rieder, Charter School Property Solutions

Larry Rieder presented on the Norton campus expansion development and provided an entitlement approval schedule. Final approval is expected February 15. Financing doesn't close until that process is completed. He also showed a new site plan that was reviewed.

.06 Critical Issues were not discussed as the current goals are still relevant.

.07 Updated and Revise LCER Goals as Needed - Goal 3 was updated to be titled "Student Success" instead of "Academics" to reflect the new mission statement. "Diversity" will be added to Goal 4. New objectives will be created by the Exec Team based on today's conversations.

5. **ADJOURNMENT:** Chairman Duberly Beck adjourned the meeting at 3:53 p.m.

**Lewis Center for Educational Research  
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**APPENDIX G**

**S.W.O.T. ANALYSIS (2016)**

At the second planning session, planning team members engaged in a “mini” environmental analysis by brainstorming the organization’s strengths and weaknesses (internal) and opportunities and threats (external). Their determination of strengths that might be enhanced and weaknesses that might be corrected, along with opportunities and threats presented by the external environment, helped guide them when deciding what critical issues must be addressed. Their brainstormed S.W.O.T. follows:

**Strengths**

- Highly dedicated staff
- Parent support
- Engaged students
- Motivated Board
- Outside the box thinking
- Culture
- Safe environment
- Small class sizes
- Caring staff
- Private school environment
- Less bureaucracy
- Passionate about learning
- Tight community feel
- Non-union
- Successful K-12 program
- Technology rich
- Partnerships
- Enrichment programs
- Well-balanced education
- Parents that care
- Facilities
- Locations
- Relationships with chartering agencies
- Relationships with other agencies
- Pride
- GAVRT, Bridge, Local Outreach, HiDas,
- Successful alumni

- AFROTC
- Political connections
- Media connections
- Bi-literacy
- Chinese partnerships
- Board connections

### **Weaknesses**

- Lack of planning
- GAVRT
- Lack of transparency
- Communication
- Facilities & Norton
- Lack of marketing
- Detailed budget planning
- No football team
- Weak in developing new partnerships
- Teacher turnover at NSAA
- Relationships between board & exec team
- Student attrition
- Fund development
- Low salaries
- No multi-year budget
- Lack of capital investment
- Current policies
- Lack of leadership transition planning
- Lack of stakeholder involvement
- Tracking alumni
- NSAA treated like stepchild
- Lack of proactive recruitment of teachers
- Lack of student recruitment
- Broken promises
- Weak Board
- Uninformed Board
- Lack of Board participation at Festival of Arts at AAE

### **Opportunities**

- Business partnerships
- University partnerships
- Developing real estate at AAE & NSAA
- STEM partnerships
- Fund development
- Relationship with alliance for education
- Internships

- Political relationships
- Alumni
- Low interest rates, rising economy
- Partnership with community service agencies
- 740 program & Prop 39

### **Threats**

- Other salary schedules elsewhere
- Competing dual immersion programs
- Shortage of teachers
- Uncertain revenues
- Common core vs. the unknown
- County/city involvement in our lease
- Anti-charter movement
- Unionization
- Teacher training institutions have bad impression of charter schools
- More legislation coming
- Needing more legal advice due to regulations
- Security
- LCAPS more regulated
- Charter renewals
- Desert Trails controversy



**Lewis Center for Educational Research  
STRATEGIC PLAN**

**APPENDIX H**

**S.W.O.T. ANALYSIS (2017)**

**Strengths**

- After School Program
- At will
- Board of Directors
- Branding
- Chinese partnerships
- Communication
- Culture
- Engaged students
- Enrichment opportunities
- Jim Foley
- Leadership
- Low staff attrition
- Non-union
- Parent support
- Partnerships
- Political connections
- Potential
- Private school environment
- Relationships
- Safe environment
- Salary flexibility
- Sports
- Strong administration
- Strong relationships with authorizers
- Teachers
- Technology rich
- Transparency

**Weaknesses**

- Data analysis
- Doing business in California
- Gathering data from stakeholders
- GAVRT in classrooms
- Facilities
- Financial responsibilities
- Financial resources

- Financial understanding
- Lack of marketing
- Low salaries
- Online presence – social media
- Policy revisions
- Standard operating procedures for support departments
- Tracking alumni
- Visibility

### **Opportunities**

- Advocacy
- Alumni
- Conference presentations
- Corporate partnerships
- Educational association connections
- Environmental land trust
- Friendraising
- Funding opportunities
- Partnerships
- Political connections
- Speaker's bureau – former board members
- STEM partnerships
- Student internships
- University and community college partnerships

### **Threats**

- Lease with SB County/City
- Legislation
- Natural disasters
- Other salary schedules elsewhere
- Security – cyber and campus
- Shortage of teachers and subs
- Unionization
- Well-funded anti-charter movement

**Lewis Center for Educational Research  
STRATEGIC PLAN**

**APPENDIX I**

**S.W.O.T. ANALYSIS (2018)**

**Strengths**

- Board
- People
- Supportive arents
- Great reputation
- Innovation
- Diversity
- Partnerships
- GAVRT
- Relationship with authorizers
- Longevity
- History
- Wait list
- Strong & unique academic programs
- Dual immersion
- Fiscal stability
- Fiscal process
- Technology
- Location of schools
- Reach – global, national
- Discussing, not attacking
- Dedication
- Transparency of budget process
- Strategic Planning
- Bylaws revisions
- General morale
- More trust
- Leadership
- Communication
- Students first
- Retention
- High quality staff
- Retention of students
- Professional development
- Flexibility
- Utilize best practices
- Integrity

- Loyalty
- Respect
- Exemplary Systems
- Safe schools
- School uniforms
- Small class sizes
- TK-12 schools
- Nurturing Culture
- Fiduciary oversight
- Blank slate for Norton facilities
- Risk tolerance
- Risk takers
- Small schools
- Small CMO
- High level of volunteers
- Parents Involved
- Legacy

### **Weaknesses**

- Financial uncertainty
- Growth – how to successfully grow Norton
- PR/marketing
- Fund development
- Compensation levels
- Communication
- Facility planning
- Facility maintenance
- Board knowledge of programs
- Goofy lease terms
- Historical decisions/mistakes
- Legacy
- Updating policies
- STEM/STEAM at Norton
- Board visibility
- Exec team presence
- Perception of inequities between Norton and AAE
- Succession plan
- Budget inflexibility
- Support for new employees
- High supervisor ratio
- Math test results
- Academic achievement at Norton and AAE
- Labs at both schools
- Complacency

- Lack of resources compared to non-charter public schools
- Lack of participation in activities for special needs students
- Special ed culture at Norton
- Geographical distance between schools
- Lack of understanding of the uniqueness of each school
- Challenge of writing IEPs for English speaking student in dual immersion program
- Lack of waiting list at Norton
- Stability/strength of middle school at Norton
- High school waiting list at AAE
- Lack of charitable giving
- LCER reputation and presence in Inland Empire
- Number of Board members from Inland Empire
- Small athletic program
- Overburdened leadership
- Lack of transitional planning

### **Opportunities**

- NGSS standards
- NASA partnership
- Informal education
- Address local or regional educational needs
- Attract students because of graduation rates and college going numbers
- Lack of other high performing charter schools
- Magnet focus to fill the void in world languages
- Build a high school with an end in mind
- Align classroom experience with unique extracurricular programs
- Can put interns into the classroom
- Stay ahead of next cutting edge trend
- Become role model for other dual language schools
- Tough challenge to always be out in front
- Become known as the leading charter schools
- Can gain more community support
- Growth at Norton
- Land trust
- University partnerships for staff recruitment and PD

### **Threats**

- Attack on charter schools
- Unions/unionization
- PERS/STRS
- Comparable salaries/compensation
- State funding for charter schools
- Anti-charter governor

- Economy
- Teacher shortage
- Competition for bilingual teachers
- Socio-economic status of demographics in region
- Growth of special ed needs
- Perception of bloated admin and fiscal mismanagement
- Declining prospective student population
- Technological demand of education in 21<sup>st</sup> century
- Litigation
- Security threats – cyber attack, terrorism, etc.
- Opposition to our program expansion
- AVUSD board election
- Increasing regulatory requirements
- No appeal rights with county authorizer
- Students overuse of technology/language skills dropping, etc., less interaction
- Diminishing social skills
- Ghost charters
- Substitute shortage

**Lewis Center for Educational Research  
STRATEGIC PLAN**

**APPENDIX J**

**S.W.O.T. ANALYSIS (2019)**

**Strengths**

- NASA
- Passion
- Leadership
- Longevity
- Culture
- Safe
- Language
- Model-exemplary
- Campuses-facilities
- Student services
- Broadly supportive
- Different expectations
- Well-known
- Community
- Partnerships
- Diversity
- Committed board, parents, staff & faculty
- Special Ed
- Inclusive
- Unique programs
- STEAM
- Extra-curriculars
- Diverse community
- Best practices
- Data driven
- Research based
- PLCs
- Camaraderie
- Big wait list
- Curiosity
- Relationship with authorizers
- Relationships with elected officials
- Finances

- Stability
- Reputation
- WASC accreditation
- Dual language
- Award winning programs
- Well established
- Back office structure
- Innovation
- Partnerships world wide
- PR person
- Lewis Center Foundation

### **Weaknesses**

- Internal marketing
- Student participation in GAVRT and space science classes
- Visibility
- External marketing
- Local outreach needs to be reimagined
- Nobody knows our current story
- Not visionary
- Two schools working together to share best practices - still feels like forced play
- Branding
- Fundraising
- Energy of science teachers - no passion
- Competition for teachers
- Science isn't a fundamental part of our culture
- Salaries for teachers and administration
- Lack of science labs and resources
- Lack of team development in science programs
- Facilities a challenge
- Budgeting management of facilities
- Management of facilities - not enough special types of classrooms
- Maintenance and upkeep of grounds
- Not enough space
- Student recruitment at NSLA and AAE HS
- Grading policy no Ds
- Rigor
- Lack of fiscal and staffing to innovate
- Need more thinking outside of the box
- Challenge to meet the basics while enhancing ability to innovate
- Sports facilities at NSLA



- Stipends for sports staff
- Lack of school spirit
- Not enough onsite facilities for sports

### **Opportunities**

NASA is cool right now  
 Grant \$ for languages/STEM/low economic populations  
 College partnerships  
 Optical telescope at CSUSB  
 Parent connections  
 Partnership opportunities  
 Fundraising opportunities  
 Artificial intelligence  
 Leverage partnerships with business community  
 Industry internships  
 Cyber security program at CSUSB  
 Free camp for ms girls  
 Informal education partnerships (i.e. Discovery Cube)  
 Expand global exchanges  
 Alumni involvement  
 Local elected officials

### **Threats**

Political  
 California  
 Litigious society  
 Legislation  
 Unfunded mandate  
 Rules  
 Compliance  
 CTA  
 Other district compensation  
 Other dual immersion programs  
 Magnet schools  
 Anti-immigration  
 Tariffs  
 Teacher shortage  
 City of SB disfunction  
 Special ed law and litigation  
 Vaping  
 Social media

Social-emotional trauma  
Mental health  
Cost of providing services  
School safety  
Hard to keep up with changes - esp in technology  
Cost of doing it  
Home school charters/other educational opportunities  
Screen time  
Cell phones  
Lack of human interaction  
Irrational parents  
Teachers who come with bad habits  
Cyber hacking



**Secretary of State**  
**Articles of Organization**  
**Limited Liability Company (LLC)**

**LLC-1**

**IMPORTANT — Read Instructions before completing this form.**

**Filing Fee - \$70.00**

**Copy Fees -** First page \$1.00; each attachment page \$0.50;  
 Certification Fee - \$5.00

*Note:* LLCs may have to pay minimum \$800 tax to the California Franchise Tax Board each year. For more information, go to <https://www.ftb.ca.gov>.

**This Space For Office Use Only**

**1. Limited Liability Company Name** (See Instructions – Must contain an LLC identifier such as LLC or L.L.C. "LLC" will be added, if not included.)

17500 Mana Road LLC

**2. Business Addresses**

a. Initial Street Address of Designated Office in California - Do not enter a P.O. Box	City (no abbreviations)	State	Zip Code
17500 Mana Road	Apple Valley	CA	92307
b. Initial Mailing Address of LLC, if different than item 2a	City (no abbreviations)	State	Zip Code

**3. Service of Process** (Must provide either Individual OR Corporation.)

**INDIVIDUAL** – Complete Items 3a and 3b only. Must include agent's full name and California street address.

a. California Agent's First Name (if agent is not a corporation)	Middle Name	Last Name	Suffix
Lisa		Lamb	
b. Street Address (if agent is not a corporation) - Do not enter a P.O. Box	City (no abbreviations)	State	Zip Code
17500 Mana Road	Apple Valley	CA	92307

**CORPORATION** – Complete Item 3c. Only include the name of the registered agent Corporation.

c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 3a or 3b

**4. Management** (Select only one box)

The LLC will be managed by:

- One Manager       More than One Manager       All LLC Member(s)

**5. Purpose Statement** (Do not alter Purpose Statement)

The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

**6. By signing, I affirm under penalty of perjury that the information herein is true and correct and that I am authorized by California law to sign.**

Additional signatures set forth on attached pages, if any, are incorporated herein by reference and made part of this Form LLC-1. (All attachments should be 8 1/2 x 11, one-sided, legible and clearly marked as an attachment to this Form LLC-1.)

*Lisa Lamb*  
 Organizer sign here

Lisa Lamb  
 Print your name here

**ATTACHMENT TO LLC-1**  
**ARTICLES OF ORGANIZATION**  
**OF**  
**17500 MANA ROAD LLC**

The following additional provisions are made a part of the Articles of Organization (LLC-1) of 17500 Mana Road LLC:

1. 17500 Mana Road LLC, (the “Company”) is organized and shall be operated exclusively for charitable purposes meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code.

2. The Company shall be operated exclusively to further charitable purposes meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code of its member.

3. The member of the Company shall at all times be an organization that is exempt from taxations under Section 501(c)(3) of the Internal Revenue Code or under Section 23701d of the California Revenue and Taxation Code and that qualifies for exemption under Section 214 of the California Revenue and Taxation Code, or as to property used exclusively for public schools, community colleges, state colleges and state universities under subdivision (b). Any such organization is hereafter referred to as a “qualifying organization.”

4. The Company shall permit no transfers, direct or indirect, of a membership interest in the Company to any person or entity that is not a qualifying organization.

5. The property of the Company is irrevocably dedicated to charitable purposes meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code.

6. Upon the dissolution or winding up of the Company, its assets remaining after payment or provision for payment of all debts and liability of the Company shall be distributed to The High Desert “Partnership in Academic Excellence” Foundation, Incorporated, a California nonprofit public benefit corporation, provided that if such organization at that time no longer qualifies as an organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code or under Section 23701d of the California Revenue and Taxation Code and that qualifies for exemption under Section 214 of the California Revenue and Taxation Code, then the share that otherwise would have gone to such organization shall be distributed to: (i) a nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes meeting the requirements for exemption provided by Section 214 of the California Revenue and Taxation Code and that has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code or Section 23701d of the California Revenue and Taxation Code; (ii) a governmental entity; or (iii) any combination of organization or entities described in clauses (i) or (ii) of this Section 6.

7. Any and all amendments to the Articles of Organization or the Operating Agreement of the Company shall be consistent with Section 214 of the California Revenue and Taxation Code.

8. To the fullest extent permitted by law, for the purpose of qualifying for the Welfare Exemption under the rules of the California Board of Equalization, this limited liability company is prohibited from merging or converting into a for-profit entity.

9. The Company shall not make or permit the making of any distribution to any member that ceases to be an organization described in Section 214 of the California Revenue and Taxation Code or that otherwise ceases to be a “qualifying organization.”

10. The activities of the Company shall be limited to those permitted under Section 23701h of the California Revenue and Taxation Code.





**Secretary of State**  
**Articles of Organization**  
 Limited Liability Company (LLC)

LLC-1

**IMPORTANT — Read Instructions before completing this form.**

**Filing Fee - \$70.00**

**Copy Fees -** First page \$1.00; each attachment page \$0.50;  
 Certification Fee - \$5.00

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**This Space For Office Use Only**

**1. Limited Liability Company Name** (See Instructions – Must contain an LLC identifier such as LLC or L.L.C. "LLC" will be added, if not included.)

230 South Waterman Avenue LLC

**2. Business Addresses**

a. Initial Street Address of Designated Office in California - Do not enter a P.O. Box	City (no abbreviations)	State	Zip Code
230 South Waterman Avenue	San Bernardino	CA	92408
b. Initial Mailing Address of LLC, if different than item 2a	City (no abbreviations)	State	Zip Code

**3. Service of Process** (Must provide either Individual OR Corporation.)

**INDIVIDUAL** – Complete items 3a and 3b only. Must include agent's full name and California street address.

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Lisa		Lamb	
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Organizer sign here

Lisa Lamb

Print your name here

**RESOLUTION NO. 2019 – 02**

**Lewis Center for Educational Research Board of Directors**

**RESOLUTION DECLARING AN OFFICIAL INTENT TO REIMBURSE ITSELF FROM THE PROCEEDS  
OF A FUTURE BORROWING FOR CAPITAL EXPENDITURES AND PROVIDING CERTAIN OTHER  
MATTERS IN CONNECTION THEREWITH.**

The Board of Directors of The High Desert “Partnership in Academic Excellence” Foundation, Incorporated, a California nonprofit public benefit corporation (the “Corporation”), doing business as Lewis Center For Educational Research, does hereby adopt and approve the following resolutions and declare them to be in full force and effect at this regular meeting of the Board of Directors of the Corporation on September 9, 2019.

WHEREAS, the Corporation is a nonprofit corporation, duly organized and existing under the laws of the State of California (the “State”), and is duly qualified to do business in the State, and, under its Articles of Incorporation, the Corporation is authorized to undertake the acquisition, construction, rehabilitation, equipping, furnishing and financing of buildings and facilities for the purpose of fulfilling its various purposes; and

WHEREAS, the Corporation has determined that it is necessary and desirable to finance the cost of acquisition, construction, development, renovation, equipping and furnishing of improvements to (a) educational facilities for Academy of Academic Excellence located at 17500 Mana Road, Apple Valley, California, in an amount not to exceed \$15,000,000, and (b) educational facilities for Norton Science and Language Academy located at 195 S. Allen Street, San Bernardino, California, in an amount not to exceed \$45,000,000 (collectively, the “Project”); and

WHEREAS, the Board of Directors of the Corporation (the “Board”) is the governing body of the Corporation; and

WHEREAS, the Corporation is exploring financing the Project with the proceeds of a tax-exempt and/or taxable borrowing;

WHEREAS, the Corporation has expended certain funds, and reasonably expects to expend certain funds in the future, for capital expenditures related to the Project; and

WHEREAS, the Corporation currently intends and reasonably expects to participate in a borrowing to finance the Project, including an amount of not to exceed \$50,000,000 for reimbursing the Corporation for capital expenditures made by the Corporation for the Project prior to the date when funds for the Project are available from such borrowing; and

WHEREAS, other than certain preliminary expenditures for architectural, engineering and similar costs, the initial expenditure of funds of the Corporation for the Project for which the Corporation desires reimbursement occurred on a date that is within 60 days prior to the date hereof but before such borrowing; and

WHEREAS, such borrowing by the Corporation shall occur within 18 months of either the date that the Corporation first expended funds for the Project or the date that the Project is placed in service, whichever is

later (but in no event more than three years after the date of the original expenditure of the Corporation's funds for the Project for which it will seek reimbursement); and

WHEREAS, the Board hereby desires to declare its official intent, pursuant to 26 C.F.R. § 1.150-2, to reimburse the Corporation for the expenditure of the Corporation's funds for the Project from the proceeds of a future borrowing of the Corporation.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HIGH DESERT "PARTNERSHIP IN ACADEMIC EXCELLENCE" FOUNDATION, INCORPORATED:

Section 1. Dates of Capital Expenditures. All of the capital expenditures covered by this Resolution were or will be made not earlier than 60 days prior to the date of this Resolution.

Section 2. Declaration of Official Intent. The Corporation presently intends and reasonably expects to participate in a borrowing within 18 months of either the date of the first expenditure of funds by the Corporation for the Project or the date that the Project is placed in service, whichever is later (but in no event more than three years after the date of the original expenditure of the Corporation's funds for the Project for which the Corporation will seek reimbursement), and to allocate an amount not to exceed \$50,000,000 of the proceeds thereof to reimburse the Corporation for its expenditures in connection with the Project.

Section 3. Resolution Number. This is the first resolution of the Corporation declaring its intent to reimburse itself for the Project from proceeds of a borrowing.

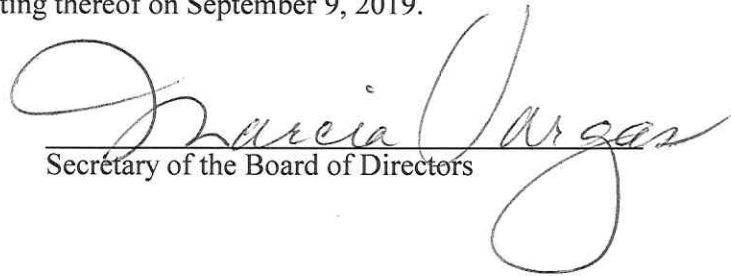
Section 4. Confirmation of Prior Acts. All prior actions of the officials, employees and agents of the Corporation that are in conformity with the purpose and intent of this Resolution and in furtherance of the Project shall be and the same hereby are in all respects ratified, approved and confirmed.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.



**CERTIFICATE OF SECRETARY**

I, the undersigned Secretary of the Board of Directors of The High Desert "Partnership in Academic Excellence" Foundation, Incorporated, a California nonprofit public benefit corporation (the "Corporation"), hereby certify that the attached is a full, true and correct copy of a resolution duly adopted by the Board of Directors of the Corporation at a regular meeting thereof on September 9, 2019.

  
Secretary of the Board of Directors

**THIS DEVELOPMENT CONSULTANT SERVICES AGREEMENT** (this “Agreement”) is made as of August 2, 2019 by and between **High Desert Partnership in Academic Excellence Foundation, Inc., a California nonprofit public benefit corporation dba Norton Science and Language Academy** (“School”), and **Charter School Property Development, LLC** (“Developer”). School and Developer are also referred to herein as the “Parties.” In consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, School and Developer hereby agree as follows:

## 1 DEVELOPMENT CONSULTANT SERVICES

1.1 School hereby appoints Developer to provide the Development Consultant Services (the “Services”) described on the attached Exhibit A in connection with a new 81,000 square foot Build-to-Suit facility which will house their PreK-12 program and an approximate 16,643 square foot building for Head Start on an approximate 18-acre land parcel in San Bernardino, California (the “Project”). Exhibit B illustrates the key project milestones and schedule for completion of construction. The terms and conditions of this Agreement shall govern the performance of the Services.

1.2 The initial term of this Agreement shall commence on the date of this Agreement and, if not terminated early in accordance with the terms of this Agreement, expire on the actual development completion date and occupancy by the School (as hereinafter defined as “Term”). If not terminated sooner, in accordance with the terms herein, the Project shall be complete and this Agreement shall be terminated when the Project has secured a Certificate of Occupancy and punch-list completed. The Parties may mutually agree to renew or extend the Term.

1.3 The Parties acknowledge and agree that the Services include overseeing and managing the construction and design efforts of contractors, vendors, architects, engineers, consultants, design professionals and other construction personnel engaged by School to perform work on the Project (“Subcontractors”). Developer will review Project documents and require such changes as are necessary so that all such documents are in the name of School, and all warranties run in favor of School. Developer shall exercise due care in assisting School in the selection of skilled and qualified Subcontractors with demonstrated expertise in their respective fields. School acknowledges that the work product provided by Subcontractors will be the responsibility of such persons and that Developer does not warrant or guaranty, and shall not have any liability with respect to, their performance or work product. Developer will not be liable for design techniques or procedures employed by any third party including Subcontractors providing design or other services in connection with the Project, or construction means, methods, techniques, sequences or procedures, particularly as they apply to the structural integrity of constructed building components in the Project. All agreements with Subcontractors shall be entered into either by School directly for the account and in the name of School, and the funds necessary to pay for such services shall be paid by School.

1.4 Developer shall provide the Services in a good and efficient manner consistent with School’s usage and image. Developer shall perform the Services through able, qualified and

trained Developer employees (“Developer Employees”) and, if applicable, subcontractors. Developer shall have the exclusive right to hire, direct, discipline, compensate and terminate Developer Employees, and shall exercise complete and exclusive control over the conduct of Developer Employees.

1.5 Developer represents and warrants that Developer will exercise the highest degree of professional care in the performance of its work hereunder and that its services will be performed in a workmanlike and professional manner by personnel having a level of skill in the area of work commensurate with the requirements of the scope of work to be performed. If School notifies Developer that any portion of the Services fail to conform to that standard, Developer shall, at its expense and in its discretion, re-perform the service provided by Developer that relates to the non-conforming portion of the Services.

1.6 Developer will collaborate and cooperate with all personnel and other consultants (if any) retained by School for the Project (collectively, the “Other Personnel”) and will perform its work so that it will be coordinated with that of School and Other Personnel. Developer also will grant Other Personnel access to its work in progress and cooperate with the Other Personnel throughout the performance of its work so that the Project may be completed expeditiously, economically and in furtherance of School’s interest. Developer shall have no liability whatsoever for any delays, damages or claims to the extent caused by the negligence of such Other Personnel.

1.7 The parties agree that the Services of the Developers (the “Key Personnel”) are essential to the satisfactory performance by Developer of the scope of services called for in this Agreement. The parties further agree that if any of the Key Personnel leave the employ of Developer during the term of this Agreement for any reason or is unavailable to continue, Developer shall promptly replace such Key Personnel with substitute individuals, that are approved by School, having appropriate skills and training.

## 2 INSURANCE

2.1 Developer’s Insurance. Developer shall maintain the following insurance policies, covering the activities of Developer under this Agreement: (a) commercial general liability of \$1,000,000 combined single limit per occurrence and annual aggregate; (b) comprehensive automobile liability for owned, hired and non-owned motor vehicles of \$1,000,000 per accident combined single limit; (c) workers’ compensation, occupational diseases and disability benefits in accordance with applicable statutory requirements; (d) employers’ liability of \$1,000,000; and (e) umbrella form excess liability insurance in excess of the limits provided by the commercial general liability, comprehensive automobile liability and employer’s liability policies required above with limits of \$5,000,000 per occurrence and annual aggregate. School will be an additional insured under Developer’s commercial general liability policy described above to the extent of loss attributable to Developer’s negligence. Developer’s insurance will not be called upon to respond to or cover School’s negligence or willful misconduct.

2.2 Mutual Waiver of Subrogation. School and Developer each hereby waives, for

itself and its affiliates, right of recovery, and agrees that no third party shall have any right of recovery by way of subrogation, assignment or otherwise, against the other Party or its affiliates with regard to losses or claims insured against under this Agreement.

### 3 INDEMNIFICATION

3.1 Developer Indemnification. Developer will indemnify School for, and hold School harmless from and against all claims, liabilities, judgments, actions, penalties and other expenses, including legal fees, (collectively, "Claims") suffered by or arising out of and resulting from negligent or unauthorized acts, errors, misstatements or omissions or the willful misconduct of Developer, its employees, agents, consultants and any others for which Developer is legally responsible, in connection with the representations or covenants made, or work contemplated, under this Agreement.

3.2 School Indemnification. School will indemnify Developer for, and hold Developer harmless from and against all Claims suffered by or arising out of and resulting from negligent or unauthorized acts, errors, misstatements or omissions or the willful misconduct of School, its employees, agents, consultants and any others for which School is legally responsible, in connection with the representations or covenants made, or work contemplated, under this Agreement.

3.3 Procedure. Developer and School shall be liable hereunder only to the extent of the respective indemnity obligations. If both Parties bear fault for a matter, each Party's liability shall be equal to the percentage determined to be due to the fault of such Party as agreed upon by the Parties or as fixed by settlement agreement or final judgment of a court or arbitration panel. Further, if either Party assumes the defense of a matter for which the other Party, but not the defending Party, is at fault (in whole or in part with any third party), the Party at fault shall either pay or reimburse the defending Party fully for all costs and expenses incurred in connection with such defense.

3.4 Limitations on Liability. Notwithstanding any provision herein to the contrary:

(a) Developer shall have no liability with respect to any Claim based upon or resulting from any erroneous or incomplete data provided by School or any third party or otherwise contained in School's databases.

(b) Developer shall only be responsible to the School to the extent any Claim is the result of the acts or omissions of Developer or those for which it is legally responsible.

Developer is not guaranteeing or otherwise responsible for the performance of any of the Other Personnel, including, but not limited to, the Subcontractors of other Personnel is or will be made by Developer as to the legal sufficiency, legal effect, or tax or accounting consequences of any transaction or documentation.

3.5 Survival. This Section 3 shall survive the expiration or termination of this Agreement.

#### 4 **CONFIDENTIALITY; INTELLECTUAL PROPERTY**

4.1 Confidentiality. Developer and School agree that any material, information or data relating to the research, development and/or business operations, strategies or ideas of a Party (the "Disclosing Party"), including, without limitation, customer information, business methodologies, plans or forecasts, that provides the Disclosing Party with a competitive advantage, that is not generally known by persons not employed by the Disclosing Party and that could not easily be determined or learned by someone outside its organization ("Confidential Information") and disclosed to the other Party (the "Receiving Party") may not be disclosed by the Receiving Party unless otherwise permitted by this Agreement. Confidential Information shall not include information (a) in the public domain, (b) disclosed with the written permission of the Disclosing Party, (c) known to the Receiving Party from a source other than the Disclosing Party without a breach hereof by the Receiving Party, or (d) independently developed by the Receiving Party without information received from the Disclosing Party. In addition the Parties may disclose Confidential Information (i) to employees who have a need to know in connection with this Agreement, (ii) in any action to enforce the provisions of this Agreement, (iii) in any action involving claims by or against persons or entities that are not Parties, (iv) as required by applicable law or legal process, or (v) to accountants, attorneys, advisors and insurers who agree to or are otherwise required to maintain the information in confidence.

4.2 Intellectual Property. Notwithstanding any provision hereof to the contrary, all methodologies, systems, procedures, management tools, software, ideas, inventions, know-how and other intellectual capital that Developer has developed, created or acquired prior to performing Services under this Agreement, or develops, creates or acquires during the Term or thereafter ("Developer's Intellectual Capital") are and shall remain the sole and exclusive proprietary property of Developer, and School shall not have or acquire any right, claim, title or interest in or to any of Developer's Intellectual Capital, except to the extent otherwise agreed by the Parties in a separate written agreement signed by authorized representatives of each Party.

Performance of the Services by Developer shall not be deemed to be a prohibition of, or interfere in any manner with Developer's provision of similar services to third parties, provided that Developer in so doing does not use or disclose any Confidential Information of School.

Nothing in this section shall be construed to apply to any plans, drawings, architectural renderings, engineering reports, or any other construction documents prepared in conjunction with the Project ("Construction Documents"). All such Construction Documents shall be owned by School and returned to School within ten (10) days of any termination of this Agreement for any reason.

#### 5 **SCHOOL COVENANTS**

School shall furnish all information and cooperation reasonably required by Developer in

order to deliver the Services required hereunder. School shall render all required approvals and decisions with reasonable promptness for the orderly performance of the Services. School agrees that Developer shall bear no liability to the extent arising out of School's failure to comply with its obligations under this Agreement. Further, Developer shall have no liability to the extent a Claim arises because Developer acted or failed to act because of adherence to School's policies, rules, regulations, agreements and/or direct written instructions. All School policies and instructions with which Developer must comply shall be consistent with this Agreement and provided to Developer in advance in writing.

## **6 ENVIRONMENTAL MATTERS; PRE-EXISTING CONDITIONS**

6.1 Developer Not a School, Operator, Generator or Transporter. School acknowledges that Developer is not an environmental expert or consultant in the field of Hazardous Materials (as hereinafter defined). School agrees that Developer is not and shall not be deemed an "operator" of any property or Project of School or a "generator" or "transporter" (or comparable legal status) for purposes of any law pertaining to Hazardous Materials. Notwithstanding any provision hereof to the contrary, with respect to any Hazardous Materials that may be present below, on, about or otherwise affecting a Project or any property of School, Developer shall not be responsible for detecting, handling, removing, remediating or disposing of such Hazardous Materials, except to the extent of any Hazardous Materials brought onto the property or disturbed by Developer.

6.2 Other Pre-Existing Conditions and Defects. Developer shall not be responsible for detecting or remediating any pre-existing conditions at a Project site or other property of School that may adversely affect the operations, maintenance or use thereof or the health or safety of persons or property. Developer shall not be responsible for detecting or remediating any structural or latent defects or other defects in design or construction of a facility or manufacturing defects in equipment at a property, whether pre-existing or arising during the Term. Notwithstanding anything to the contrary contained herein, School shall indemnify, defend and hold Developer harmless from and against all Claims asserted against or incurred by Developer to the extent arising out of any condition or circumstance arising initially prior to the date of this Agreement (regardless of whether such condition or circumstance continues) or that otherwise is not a matter for which Developer has specifically agreed to indemnify School hereunder.

## **7 DEFAULT**

7.1 Default by Developer. A "Developer Default" shall mean: (a) Developer defaults in its performance of the Services in any material respect, and such default continues for a period of 5 days after written notice from School, unless such default cannot reasonably be cured within such period, in which event Developer shall have an additional 30 days to cure such default; or (b) any petition is filed by or against Developer under the U.S. Bankruptcy Code or any similar state or federal law (and, in the case of involuntary proceedings, Developer fails to cause the same to be vacated, stayed or set aside within 30 days after filing). Upon the occurrence and continuance of an uncured Developer Default, School may terminate this Agreement and/or exercise its available remedies.

7.2 Default by School. A “School Default” shall mean: (a) School fails to make a payment when due to Developer, and such failure continues for a period of 15 days after written notice of such failure from Developer; or School defaults in the performance of any of its other material covenants, agreements or obligations hereunder, and such default continues for 15 days after written notice of such default or breach from Developer, unless such default cannot reasonably be cured within such period, in which event School shall have an additional 60 days to cure such default; or (b) any petition is filed by or against School under the U.S. Bankruptcy Code or any similar state or federal law (and, in the case of involuntary proceedings, School fails to cause the same to be vacated, stayed or set aside within 30 days after filing). Upon the occurrence and continuance of an uncured School Default, Developer may terminate this Agreement, cease performance of the Services and/or exercise its available remedies.

## 8 NOTICES

All notices, waivers, approvals, consents, demands, other communications required or permitted under this Agreement shall be in writing and deemed properly given, served and received (a) if delivered by messenger, when personally delivered, (b) if mailed, on the second business day after deposit in the U.S. mail, certified or registered, postage prepaid, return receipt requested, or (c) if delivered by reputable overnight express courier, freight prepaid, the next business day after delivery to such courier; in each case addressed to the Party to be notified as follows: if to Developer, then to 2505 Anthem Village Drive, Suite E390, Henderson, NV 89052; and if to School, to 530 E. Central Avenue, San Bernardino, CA 92408 or to such other address as any Party may notify the other Party.

## 9 TERMINATION

9.1 The Parties shall only be able to terminate this Agreement upon the defaults listed in Section 7.1 and 7.2 of this Agreement. Notwithstanding the foregoing, Developer will not have the right to terminate this Agreement at any time based on nonpayment of fees if such nonpayment is due to a good faith dispute between Developer and School provided that all other non-disputed payments due Developer hereunder continue to be made. In the event of termination for any reason other than due to the breach of this Agreement by Developer, Developer is to receive and accept as full payment for its services performed prior to such termination, the amounts due it hereunder as of the date of termination.

9.2 Developer and School may mutually agree to terminate this Agreement at any time.

## 10 INVOICING AND PAYMENT

10.1 Development Consultant Services Fees. As compensation for the performance of Services in connection with the Project, School shall pay Developer a development fee equal to Nine hundred seventy five thousand dollars (\$975,000). Fifty percent (50%) of the Fee shall be earned and payable upon close of the permanent construction financing of the project. The remaining Fifty percent (50%) shall be paid in equal monthly installments over the projected

construction period. Developer will invoice School for the Fee when due and monthly over the life of the project.

10.2 Payment Terms. Except as provided below, School will pay Developer net 15 days. "Net 15 days" as used herein means that the applicable monthly invoice must be paid within 15 days from receipt of the date of the applicable monthly invoice. The School may choose to pay the Fee directly to the Developer or direct the property lending source to include it in the financing of the property loan.

10.3 School is responsible for any taxes imposed by Applicable Law on the Services, except those on Developer's development fee. Developer is responsible for any sales, use, transfer, value-added, goods and services, services, consumption, and other taxes and duties, including any excise taxes imposed on Developer in the conduct of Developer business, on the goods or services used or consumed by Developer in providing the Services.

10.4 Fee at Risk. The parties have agreed that Developer's Fee is at Risk and is only earned if the School completes its financing of the project. If the School does not utilize the full scope of services provided by the Developer after financing closes, the entire development fee is still due and payable, except as set forth in Section 10 of this Agreement. If the School does not complete the financing for the project through no fault of Developer, the School will pay Developer \$100,000 as an exit fee for its time and expenses expended on the project.

## 11 MISCELLANEOUS

11.1 Entire Agreement; Amendment; Counterparts. This Agreement contains the entire agreement and understanding of the Parties with respect to the subject matter hereof. This Agreement may not be amended or modified, nor may any term be waived, except in a writing signed by both Parties. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

11.2 Assignment; Successors and Assigns. Neither Party shall assign this Agreement (other than an assignment to an affiliate or by operation of law) without the prior written consent of the other Party. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

11.3 Waiver. No consent or waiver by a Party to or of any breach or default, shall be deemed or construed to be a consent or waiver to or of any other breach or default under this Agreement. Failure of a Party to complain or declare the other Party in default, irrespective of how long such default continued, shall not constitute a waiver by such Party of rights and remedies hereunder.

11.4 Covenant of Good Faith and Fair Dealing. This Agreement imposes an obligation of good faith and fair dealing on School and Developer in the performance and enforcement of their duties and obligations herein.



11.5 Force Majeure. No delay or failure in performance by a Party shall constitute a default hereunder to the extent caused by Force Majeure. Unless the Force Majeure substantially frustrates performance of the Services, Force Majeure shall not operate to excuse, but only to delay, performance of the Services. If Services are delayed by reason of Force Majeure, Developer promptly shall notify School. Once the Force Majeure event ceases, Developer shall resume performance of the Services as soon as possible. "Force Majeure" means any event beyond the control of the Party claiming inability to perform its obligations and which such Party is not capable of preventing by the exercise of reasonable diligence, including, without limitation, the combined action of workers, fire, acts of terrorism, catastrophes, changes in laws, condemnation of property, governmental actions or delays, national emergency, war, civil disturbance, floods, unusually severe weather conditions or other acts of God. Inability to pay or financial hardship shall not constitute Force Majeure regardless of the cause thereof and whether the reason is outside a Party's control.

11.6 Governing Law; Jury Waiver. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to conflicts of law principles.

11.7 Responsibilities. Each Party will at all times act in good faith and Developer shall use commercially reasonable efforts to advance School's interests and agrees to perform its obligations in a professional manner in conformity with the standards and practice of other professionals providing similar work. Developer will employ an adequate number of qualified, careful, efficient and skilled personnel and subcontractors; and will use skill, prudence, judgment and competent supervision in order that the execution of the Services may be economical, expeditious and consistent with the interest of School. Developer will supervise and direct the Services, using its best skill and attention. Developer will be solely responsible to School for and have control over all portions of Developer's obligation under this Agreement.

11.8 Ethics/Conflict of Interest. In its performance of this Agreement, Developer will adhere to business practices that are in accordance with the letter and spirit of applicable laws and ethical principles as follows:

- (a) All transactions in connection with this Agreement will be accurately reflected in Developer's records and no funds or other assets will be paid directly or indirectly to government officials or person's action on their behalf for the purpose of influencing government decisions or actions with respect to School's business.
- (b) Developer will conduct its activities hereunder and its dealings with School, subcontractors, and third parties so as to avoid loss or embarrassment to School due to any real or apparent conflict of interest and to require that all subcontractors comply with such policy in connection with this Agreement.

11.9 Developer will spend the necessary time and effort in cooperation with the

officers and employees of School or any parent, subsidiary or affiliate of School, and other professionals designated or retained by School and Developer in order to become fully familiar with the Project and to incorporate into Developer's work all available information.

11.10 Developer will obtain School's written consent before publicly using any advertising, written sales promotion, press releases or other publicity matters relating to this Agreement or in which School's name is used or may reasonably be inferred. Developer will not divulge information concerning the Project to anyone (including, without limitation, Plans and information and applications for permits and variances) without School's prior written consent. Developer will obtain and deliver to Developer a similar agreement from any agents or subcontractors retained by Developer in compliance with the terms hereof.

11.11 Any provision of this Agreement which by its nature and effect is required to be observed, kept or performed after termination of this Agreement, will be and remain binding upon and for the benefit of the parties hereto until fully performed, kept or observed. The invalidity or unenforceability of any of the provision hereof will not affect the validity or enforceability of the remainder hereof. The provisions of this Agreement will inure to, and be for, the benefit of and may be enforced by both School and Developer, their respective beneficiary(ies) or the designated representatives of their beneficiary(ies) or their respective successors and permitted assigns.

11.12 Developer's personnel and Developer's work on the Project hereunder will comply with all applicable laws, regulations, ordinances, licensing requirements, codes or rules of all governmental authorities have jurisdiction over the Project. Developer will advise School and the contractor of any pending or subsequent changes of which Developer is aware or can reasonably be expected to become aware of in such law, regulations, ordinances, codes or rules and of the potential impact of such changes on the Project. Additionally, Developer hereby represents that its operations comply, and agrees that its operations will continue to comply, with all applicable law, including without limitation any anticorruption laws applicable to the Parties.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement effective as of the date first above written.

**High Desert Partnership in Academic Excellence Foundation, Inc., a California nonprofit public benefit corporation dba Norton Science and Language Academy:**

By: \_\_\_\_\_  
Name:  
Title:

**CHARTER SCHOOL PROPERTY DEVELOPMENT, LLC:**

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT A**

**SCOPE OF SERVICES**

[SEE ATTACHED]

**EXHIBIT B**  
**PROJECT TIMELINE**  
[SEE ATTACHED]

## **EXHIBIT A**

### **PROPERTY DEVELOPMENT SCOPE OF SERVICES**

The following Development Scope of Services will apply to High Desert Partnership in Academic Excellence Foundation, Inc., a California nonprofit public benefit corporation dba Norton Science and Language Academy (“School”) school’s project. Charter School Property Development (“CSPD”) will engage an architectural firm, a survey firm, a civil engineering firm, a geotechnical firm, a general contractor, and any other sub-consultants as required to implement this project. These firms will be contracted directly with CSPD. CSPD’s Overall Program Management Services consist of the administrative tasks necessary to maintain the overall program including day-to-day project work planning, scheduling, permitting, communications, team-coordination and records management. Specific tasks to achieve the Overall Program Management include:

#### **Pre-Development**

Task 1- Due Diligence; Entitlements

#### **Development**

Task 2 - Program Management and Coordination

Task 3 - Sub consultant Management

Task 4- Permitting Assistance

Task 5 - Design Coordination

Task 6 - Construction Management

### **TASK 1 - DUE DILIGENCE; ENTITLEMENTS;**

CSPD will work with School in creating a conceptual facility plan for the property alternative which makes the most sense to house the new school facility. During the due diligence phase of the acquisition process, CSPD shall work with the School to ensure the property is satisfying all legal obligations necessary for School’s intended use of the property. This will include researching and identifying the proper entitlements to allow the School to use the property for educational purposes. If necessary, CSPD will take the property through the entitlement phase (Conditional Use Permit) with the local planning and city council boards. CSPD will coordinate the retention of those Sub consultants necessary to prepare the zoning application and required submittals in order to present to the local zoning authority.

### **TASK 2-PROGRAM MANAGEMENT AND COORDINATION**

Overall program management and coordination consists of assisting School with the coordination of the planning, design, permitting, and construction of the Project. Professional services consist of the administrative tasks

necessary to coordinate and maintain the overall budget and schedule for the project. CSPD will provide on a monthly basis a project status report which includes but not limited to up to date accounting and reporting of funds disbursed, how much and to whom, updated project schedule, meeting minutes with Sub consultant and upcoming project meetings.

#### Task 2.1 – Sub consultant Selection

The planning and design of the new educational facility will require the selection of qualified sub-consultants including an architectural firm, a survey firm, a civil engineering firm, a geotechnical firm, and a general contractor. The Sub consultants will be selected through a Request for Proposal ("RFP") process. CSPD will have the authority to engage Sub consultants and the contractor based on the proposal requests from qualified firms. CSPD will review proposals, and recommend firms for contract negotiation. CSPD will negotiate the contract and will prepare contract documents for engagement with the consultant. CSPD will coordinate the individual Sub consultant's Scope of Services to ensure all aspects of the Project are properly addressed.

#### Task 2.2-Project Performance Plan

CSPD will implement a detailed Project Performance Plan that will include a project organization chart, all project team contact information, project schedule, and a task list required to complete the Project. CSPD will coordinate with each responsible Sub consultant for details and explanation of each task within the Project Performance Plan.

#### Task 2.3-Meetings

CSPD will attend coordination and progress meetings with Sub consultants and School on a weekly basis. Progress meetings will be facilitated by CSPD to discuss key milestone activities through the planning and design of the Project.

### **TASK 3 – SUB CONSULTANT MANAGEMENT**

Sub consultant management includes administrative tasks necessary for the management of the Sub consultants through the planning and design phase of the project; and review of the planning and design drawings for permit coordination.

#### Task 3.1-Monthly Status Reports

CSPD will collect and review monthly status reports from each Sub consultant and submit them to Charter School. The monthly project status reports will generally consist of a summary of the project status; services accomplished during the past month; identification of any key project issues, action items, project budget status, and project schedule. CSPD will monitor the sub-consultant's work for timeliness and ensure that the work meets the Project requirements.

#### Task 3.2-Sub consultant Invoices and Payment Processing

CSPD will review each Sub consultant's progress payments for accuracy and completeness before recommending payment by School. Each month CSPD will prepare the necessary documentation to process a construction draw to be submitted to the real estate lender in order to pay Sub consultants verified and approved expenses against the approved Budget.

#### **TASK 4 - PERMITTING ASSISTANCE**

CSPD will assist School with the extensive coordination with permitting agencies required to successfully cause the construction of the Project. CSPD's construction manager will prepare draft permit applications and supporting technical data for School's signature necessary for obtaining permit approvals in accordance with each agency policies and procedures. CSPD will coordinate permit submittals to complete the project within the outlined schedule. CSPD will also attend meetings with permitting agencies as required.

##### Task 4.1 – Permit Processing

The improvement plans will be submitted to the appropriate agency departments as deemed necessary for review and compliance with governing standards including planning requirements, design reviews, potable water service, wastewater service, fire department requirements, health department requirements, drainage studies, building department standards, construction dust permits, and traffic studies.

##### Task 4.2-Utility Companies

CSPD will coordinate with the utility companies who will review the improvement plans to ensure clearances from their existing and proposed facilities.

#### **TASK 5 - DESIGN COORDINATION**

##### Task 5.1 – Design Reviews

CSPD will monitor the Sub consultant's work for timeliness and ensure that the work meets the project's requirements. CSPD will also coordinate the planning and design tasks between the Architect, MEP, and Civil Design Team. CSPD will assist School with reviewing submittals by the Sub consultants.

#### **TASK 6 - CONSTRUCTION MANAGEMENT**

CSPD, will provide its construction management to oversee the construction of the Project.

##### Task 6.1 – Bidding Assistance

CSPD's construction manager will prepare a bid package to a short-list of local general contractors. Once proposals are received, CSPD will prepare a summary comparison for review and contractor award by School.



### **Task 6.2-Contractor Schedule**

CSPD will review and monitor the Contractor's Schedule on not less than a monthly basis including review of the initial schedule to determine if all construction activities are to be completed within the contract time. In addition, CSPD shall monitor the actual construction progress versus the Construction Schedule on a monthly basis. CSPD will review Contractor's monthly project status and submit to School. The monthly project status reports will generally consist of the summary of the project status; services accomplished during the past month and identification of any key project issues.

### **Task 6.3 – Shop Drawings, Requests for Information, and Requests For Clarification**

CSPD's construction manager will review all Contractor generated shop drawings as required by the construction documents. The construction manager will submit all shop drawings to the appropriate Sub consultant. Procedures for checking shop drawings will be coordinated with the procedures proposed by the construction manager. In addition, CSPD's construction manager will review all RFI's and RFC's submitted by the Contractor and Architect. CSPD will review the legitimacy of such requests and determine the appropriate reviewer and forward accordingly. If supplementary drawings are required for clarifying the contract documents, CSPD will coordinate the production of supplemental drawings with the responsible Architect or Engineer.

### **Task 6.4 – Certificate of Occupancy and Final Punch-List**

CSPD's construction manager will coordinate with general contractor to get all final inspections completed and obtain a Final Certificate of Occupancy from the local authorities in order for School to move-in. A final punch-list shall be prepared and CSPD will manage general contractor to complete the list in a timely fashion.



### Timeline for Project Entitlements and Construction

Milestones	October	November	December	January	February	March	April	May	June	July	August	Septemb	October	November - May	June
Preliminary DERC Meeting - October 9th	█														
Public Review Period (20 days)		█													
Final DERC Meeting - November 13th		█													
Planning Commission Meeting - December 10th			█												
TSK complete working drawings and submittal to City - January 9th				█											
City Council Approval - January 15th				█											
Const. bids back from GC's - February					█										
City comments - CD's - February 9th					█										
City Council - 2nd Reading - February					█										
30-day Public Filing Period - March						█									
Execute GMP with GC - March 15th						█									
GC mobilizes on site April 1st							█								
GC completes construction May 1st								█	█	█	█	█	█	█	█
NSLA occupies campus - May 15th															█

**THE HIGH DESERT ‘PARTNERSHIP IN ACADEMIC EXCELLENCE’  
FOUNDATION, INCORPORATED**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**(2019 Bond Financing)**

The Board of Directors (the “Board”) of The High Desert ‘Partnership in Academic Excellence’ Foundation, Incorporated, a California nonprofit public benefit corporation (the “Corporation” or “Lessee”), dba Lewis Center for Educational Research, hereby adopts the following Resolutions:

**WHEREAS**, the Corporation is organized for charitable purposes;

**WHEREAS**, the specific and primary purposes of the Corporation is to operate a public charter school;

**WHEREAS**, the Corporation operates two public charter schools known as the Academy for Academic Excellence (“AAE School”) and Norton Science and Language Academy (“NSLA”) (together, the “Schools”);

**WHEREAS**, the Corporation currently operates the AAE School on the property located at 17500 Mana Road, Apple Valley, California 92307 (the “AAE Facilities”);

**WHEREAS**, the California Enterprise Development Authority (the “Authority”) proposes to issue its \$13,500,000 Charter School Revenue Bonds (Academy for Academic Excellence Project), Tax-Exempt Series 2019A (the “Series 2019A Bonds”) and its \$1,500,000 Charter School Revenue Bonds (Academy for Academic Excellence Project), Taxable Series 2019B (the “Series 2019B Bonds” and together with the Series 2019A Bonds, the “Series 2019 Bonds”) in a maximum aggregate amount not to exceed \$15,000,000 pursuant to an Indenture of Trust (the “Indenture”), by and between the Authority and Wilmington Trust, National Association, as trustee thereunder (the “Trustee”);

**WHEREAS**, the Authority proposes to make a loan (the “Loan”) of the proceeds of the Bonds to 17500 Mana Road LLC (the “Borrower”), a California limited liability company whose sole member is the Lessee, pursuant to the terms of the Indenture and a Loan Agreement (the “Loan Agreement”) by and between the Authority and the Borrower;

**WHEREAS**, the Borrower proposes to use the proceeds of the Loan for, among other things, (i) financing or refinancing the acquisition, renovation, improvement, furnishing, and equipping of land and charter school facilities located at 17500 Mana Road, Apple Valley, California 92307 (the “AAE Facilities”); (ii) funding a debt service reserve fund for the Series 2019 Bonds; (iii) funding capitalized interest with respect to the Series 2019 Bonds; (iv) payment of a swap termination fee and (v) paying certain expenses incurred in connection with the issuance of the Series 2019 Bonds (collectively, the “AAE Project”);

**WHEREAS**, in particular, the proceeds of the Series 2019 Bonds will be used to (i) refund tax-exempt bonds issued in 2012 for the benefit of the Lessee, the proceeds of which were used to refinance a commercial loan used for capital improvements to educational facilities and finance the construction and equipping of a gymnasium and other capital improvements to the AAE Facilities; (ii) payment of a swap termination fee and (iii) buy out a lease pursuant to which the Lessee leased modular classrooms, gym equipment, and parking lot pads;

**WHEREAS**, the Borrower proposes to lease the AAE Facilities to the Corporation for use and occupation by the AAE School pursuant to a Lease Agreement (the “Lease”);

**WHEREAS**, Lessee is the sole member of Borrower, which will be the (“Lessor”) under the Lease;

**WHEREAS**, the Corporation proposes to secure or support the obligations of the Corporation under the Lease and the obligations of the Borrower with respect to the Bonds by, among other things, (i) a pledge of the gross revenues of the AAE School and (ii) a Lease Blocked Account, by and between the Lessee and the Trustee, as custodian thereunder (the “Lease Blocked Account Agreement”);

**WHEREAS**, the revenues of the Lessee derived from its operation of the Norton Science and Language Academy (“NSLA”), the Goldstone Apple Valley Radio Telescope (“GAVRT”) Radio Astronomy Program, the Apple Valley Center for Innovation (“AVCI”), and the Lewis Center Foundation (the “Foundation”) will not be pledged to the repayment of the Series 2019 Bonds, and the facilities from which the Lessee operates NSLA, GAVRT, AVCI, and the Foundation are not pledged to secure the Series 2019 Bonds;

**WHEREAS**, RBC Capital Markets, on its own behalf and as the representative (the “Representative”) of itself and BB&T Capital Markets, a division of BB&T Securities, LLC, as the underwriters (together, the “Underwriters”) proposes to underwrite the Bonds pursuant to a bond purchase agreement (the “Bond Purchase Agreement”) by and among the Underwriters, the Authority, the Borrower, and the Lessee, and a Limited Offering Memorandum (the “Limited Offering Memorandum”), describing the Authority, the Corporation, the Borrower the AAE Project and the Bonds;

**WHEREAS**, the Board finds that the terms of the foregoing transactions (collectively, the “Transactions”), including the Lease, are fair and reasonable as to the Corporation, the Borrower and the AAE School under the circumstances, are in the best interests of the Corporation, the Borrower and the AAE School, and in furtherance of the charitable purposes of the Corporation;

**WHEREAS**, the Board desires that the Corporation and the Borrower take all actions necessary or advisable to facilitate the Transactions;

**NOW, THEREFORE, BE IT RESOLVED**, that, the Board approves the Transactions and authorizes the execution, delivery and performance by the Corporation and Lessor of the documents and agreements listed on Schedule 1 attached hereto (collectively, the “Primary Transaction Documents”) to which the Corporation or Lessor may be a party and all such other

documents, instruments and agreements as may be necessary or advisable to facilitate the Transactions (collectively, the “Transaction Documents”);

**RESOLVED FURTHER**, that the Board hereby ratifies and confirms that (i) as of October 8, 2019, the persons named below had been duly selected as directors of the Corporation, held the offices of the Corporation set opposite their respective names, and had terms of office ending on the respective dates indicated, and (ii) as of the date hereof, the directors and officers of the Corporation, and the respective terms of office, continue to be as set forth below, and (iii) that the Board appoints the individuals listed below, and each of them individually (each, an “Authorized Signatory”), as authorized signatories of the Corporation for purposes of executing the Transaction Documents on behalf of the Corporation:

<b>Name</b>	<b>Position</b>	<b>Term Ends</b>
Duberly Beck	Chairman	2019
Sharon Page	Vice Chairman	2024
Marcia Vargas	Secretary	2019
Jim Morris	Treasurer	2023
Dr. Patricia Caldwell	Director	2024
Dr. Omari Onyango	Director	2024
David Rib	Director	2024
Jessica Rodriguez	Director	2025
Rick Wolf	Director	N/A

**RESOLVED FURTHER**, that any deficiencies in any prior action, appointment, election, minutes or records of the of directors or officers of the Corporation are hereby corrected to conform to this resolution;

**RESOLVED FURTHER**, that the Board appoints the individual listed below (“Authorized Signatory”, with all authorized signatories referred to as “Authorized Signatories”), as authorized signatories of the Lessor for purposes of executing the Transaction Documents on behalf of Lessor:

<b>Name</b>	<b>Position</b>
Lisa Lamb	Executive Director

**RESOLVED FURTHER**, that the Authorized Signatories, and each of them individually, are authorized and directed, for and in the name and on behalf of the Corporation or the Lessor, as applicable, to execute, deliver, approve, and, as appropriate, declare final the Transaction Documents, in the forms that have been presented to the Board for approval or with such amendments or modifications thereto as an Authorized Signatory may approve as necessary or advisable, and all such other escrow agreements, leases, security agreements, account control agreements, subordination, non-disturbance and attornment agreements, tax certificates, tax and regulatory compliance agreements, disclosure agreements, assignments, indemnification agreements, guaranties, subordination agreements, letters of representation, notices, certificates, and other documents, agreements, or instruments or amendments to any of the foregoing, as an

Authorized Signatory may approve as necessary or advisable to facilitate the Transactions, each with such additions, deletions or changes therein as the Authorized Signatory executing the same shall approve (the execution and delivery thereof by any such Authorized Signatory to be conclusive evidence of his or her approval of any such document, agreement, instrument, amendment, addition, deletion or change);

**RESOLVED FURTHER**, that the AAE School may apply for grant funds under the Charter School Facility Grant Program to be applied to costs associated with facility rents under the Lease, if eligible to do so;

**RESOLVED FURTHER**, that the Corporation hereby ratifies and confirms the acts of its officers, agents or employees taken on behalf of the Corporation or Lessor in connection with the Transactions;

**RESOLVED FURTHER**, that by the adoption of these resolutions, the Board hereby reconfirms, ratifies and adopts all prior actions of the Board which may have previously been taken in connection with the Transactions;

**RESOLVED FURTHER**, that all prior resolutions of the Board or any parts thereof in conflict with any or all of the foregoing resolutions are hereby repealed to the extent of such conflict;

**RESOLVED FURTHER**, that these resolutions shall take effect and be in full force immediately after their adoption by the Board; and

**RESOLVED FURTHER**, that the Authorized Signatories, and each of them individually, are authorized and directed, for and in the name and on behalf of the Corporation or the Lessor, as applicable, to approve, execute and deliver any and all documents, instruments and agreements, and to perform or cause to be performed any and all acts as may, in their judgment, be necessary or desirable to accomplish the purposes of the foregoing resolutions and the transactions contemplated thereby and by the agreements therein approved, and any such documents, instrument or agreements so executed and delivered or actions taken by them or any of them shall be conclusive evidence of their authority in so doing.

## Certificate of Secretary

The undersigned certifies that the undersigned is the duly appointed and acting Secretary of the Corporation, and that the foregoing is a true and correct copy of Resolutions that were duly adopted on October 14, 2019, by the majority vote of the directors of the Corporation present at a meeting of the board of directors of the Corporation duly held on such date in compliance with the bylaws of the Corporation, and while a quorum was present.

**IN WITNESS WHEREOF**, I have hereunto set my hand as Secretary of the Corporation this \_\_\_\_ day of October 2019.

\_\_\_\_\_  
Marcia Vargas, Secretary

**Schedule 1**  
**Transaction Documents**

1. Bond Purchase Agreement.
2. Indenture.
3. Bonds.
4. Loan Agreement.
5. Lease.
6. Continuing Disclosure Agreement.
7. Tax Certificate and Agreement.
8. Preliminary Limited Offering Memorandum.
10. Lease Blocked Account Agreement.



## THE LESSEE AND THE SCHOOL

### General

The High Desert "Partnership in Academic Excellence" Foundation, Incorporated (the "Lessee") is a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

The Lessee was founded in 1992 by Rick Piercy, based on his idea of building a facility where students of all grade levels could experience science firsthand, and was incorporated for the purpose of promoting and supporting the educational needs of the students, teachers, and community members of the High Desert and Mountain areas of Southern California.

The Lessee operates the public charter school known as the Academy for Academic Excellence (the "School") pursuant to the Charter School Act of 1992, California Education Code §§ 47600, as amended, (the "Charter School Act") and a charter petition for the five-year term beginning July 1, 2015, and ending July 1, 2020 (the "Charter"), approved by the Apple Valley Unified School District ("AVUSD"). The first charter for the School was approved in 1997. AVUSD has renewed the charter in 2002, 2005, 2010, and 2015.

The Lessee opened the School as an independent study program serving just over 100 students in grades K-12 from a campus located at 20702 Thunderbird Road, Apple Valley, California 92307 (the "Thunderbird Campus"). In 2000, the Lessee added a campus located at 17500 Mana Road, Apple Valley, California 92307 (the "Mojave River Campus"). For the 2002-03 school year, the School transitioned from an independent study program to a full-time seat program.

In 2009, the Lessee opened a third campus located at 18350 Highway 18, Apple Valley, California 92307 (the "Corwin Campus"). Until 2015, the Lessee operated the School from these three campuses. Management of the Lessee ("Management") decided to consolidate operations of the School on the Mojave River Campus. New construction added 20 portable classrooms, a parking lot, and a playground in the summer of 2015 before the 2015-16 school year started.

The School has grown so that it serves approximately [1,438] students in grades TK-12 as of October 2, 2019.

For the [2019-20] school year, the School is a nationally recognized laboratory school and has consistently been rated as one of the nation's silver medal high schools by US News & World Report, as well as "Best of the Desert" for elementary, middle and high school. Below is a list of additional accolades received by the School, its administration, and its faculty:

- The School was recognized in 2006 as a California Distinguished School. Also in 2006, the School was among the first 39 charter schools in the state to be recognized as a Certified Charter School by the California Charter School Association for excellence in physical management and academic achievement.
- In 2007, then California State Senator George Runner and then-Assemblyman Anthony Adams presented two Resolutions to the School.
- In 2010, Lessee employees received certificates from NASA for their participation in the LCROSS mission (Lunar Crater Observation and Sensing Satellite).
- Special recognition was given to the AAE for its participation in the Women in Science and Math conference held annually at the local community college.
- Readers of the *Daily Press*, the local newspaper, have nominated the AAE as the "Best of the High Desert Schools" every year since the program's inception in 2008.

- Three teachers and one administrator have been nominated as Man or Woman of the Year through the *Daily Press*.
- One teacher and one administrator have been named Distinguished Man or Woman of the Year through Victor Valley College ("VVC").
- Three teachers were awarded the "Our Teachers are Heroes" recognition through the partnership of VVC, San Bernardino County Superintendent of Schools and various local businesses.
- Two teachers have been recognized as Outstanding Teachers of American History through SBC Teaching American History Project.
- One teacher received the 2015 Dreamers, Visionaries and Leaders Lifetime Achievement award and the Optimist Club Friend of Youth Award in 2017.

In addition to the School, the Lessee also operates a separate public charter school known as the Norton Science and Language Academy ("NSLA"), the Goldstone Apple Valley Radio Telescope ("GAVRT") Radio Astronomy Program as a partnership with National Aeronautics and Space Administration ("NASA")/Jet Propulsion Laboratory ("JPL"), the Apple Valley Center for Innovation ("AVCI") as a joint venture between the Lessee and AVUSD, and the Lewis Center Foundation (the "Foundation"), which is a standing committee of the Lessee's board of directors (the "Board").

*Mission.* The mission of the Lessee is to ensure that its schools and programs prepare students for success in a global society through data-driven, innovative and research-proven practices in a safe and inclusive culture.

*Vision.* The vision of the Lessee is to be internationally recognized as a leader due in part to its unique, long-term partnership with NASA. The Lessee's two award-winning TK-12 charter schools are model programs for STEAM and World Languages. The Lessee is deeply involved in serving its two communities – the High Desert and San Bernardino, as well as the greater educational community --- through its local and global programs.

The Lessee's reputation can be attributed to its highly qualified and enthusiastic faculty and staff who, with the support of engaged parents, community and Board members, ensure students achieve at the highest academic levels.

## **Plan of Finance**

[17500 Mana Road], LLC (the "Borrower"), a California limited liability company whose sole member is the Lessee, has been organized for the purpose of facilitating the Series 2019 Bond transaction.

The proceeds of the Series 2019 Bonds will be loaned to the Borrower for the following purposes: (i) financing or refinancing the acquisition, renovation, improvement, furnishing, and equipping of land and charter school facilities located at 17500 Mana Road, Apple Valley, California 92307 (the "Series 2019 Facilities"); (ii) funding a debt service reserve fund for the Series 2019 Bonds; (iii) funding capitalized interest with respect to the Series 2019 Bonds; and (iv) paying certain expenses incurred in connection with the issuance of the Series 2019 Bonds (collectively, the "Series 2019 Project").

In particular, the proceeds of the Series 2019 Bonds will be used to (i) refund tax-exempt bonds issued in 2012 for the benefit of the Lessee, the proceeds of which were used to refinance a commercial loan used for capital improvements to educational facilities and finance the construction and equipping of a gymnasium and other capital improvements to the Mojave River Campus and (ii) buy out a lease pursuant to which the Lessee leased modular classrooms, gym equipment, and parking lot pads.

On the Closing Date, the Lessee will deed the Series 2019 Facilities to the Borrower and the Borrower will lease the Series 2019 Facilities to the Lessee pursuant to the terms of the Lease Agreement.

The Borrower's sole member is the Lessee, and the Borrower's sole expected source of revenue will be the Lease Payments it receives from the Lessee pursuant to the Lease Agreement. See "SECURITY FOR THE SERIES 2019 BONDS."

### **Governing Body**

The activities and affairs of the Lessee are managed by the Board, which is required to consist of not fewer than five nor more than nine directors (each, a "Director"). Not more than four Directors may be parents of students at the School or NSLA. All but one Director must reside in the County, with the residence requirement not applicable to one Director who brings exceptional skills, background, affiliations, or expertise in an area specific to the Lessee's mission.

Directors are elected by the Board and serve three-year terms. After two consecutive terms, a Director may be reelected after one year off the Board. Any Director may be removed with or without cause by a majority vote of the Directors.

The Board is required to meet at least quarterly, and currently meets monthly, except that meetings are not held in January or July. Special meetings may be called by any officer of the Board.

A majority of the authorized number of Directors constitutes a required quorum for the transaction of business, and every act or decision done or made by a majority of the Directors present at a meeting duly held at which quorum is present is the act of the Board.

The officers of the Lessee include a Chairman of the Board, a Vice Chairman, a Secretary and a Treasurer, and such other officers with such titles and duties as may be determined by the Board. The same person may hold any two or more offices, except that neither the Secretary nor the Treasurer may serve concurrently as Chairman of the Board.

Officers are elected from among the Directors at the annual meeting, and each serves a one-year term. The Chairman of the Board may not serve more than two consecutive terms. Any officer elected by the Board may be removed from office at any time by the Board, with or without cause or prior notice.

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Certain information regarding the current Directors is set forth in the table below.

<u>Name</u>	<u>Title</u>	<u>Industry</u>	<u>Election to Board</u>	<u>Term Ends</u>
Duberly Beck	Chairman	Tax	2013	2019
Sharon Page	Vice Chairman	Human Resources	2018	2024
Marcia Vargas	Secretary	Education	2013	2019
James Morris	Treasurer	Consulting	2017	2023
Patricia Caldwell	Director	Education	2018	2024
Omari Onyango	Director	Orthodontics	2018	2024
David Rib	Director	Manufacturing	2018	2024
Jessica Rodriguez	Director	Community Services	2019	2025
Rick Wolf	Director*	Education	2009	N/A

**Duberly Beck/Chairman** – Duberly Beck is the owner of Beck's Tax & Business Services, LLC, in Fontana, California, and has been in the tax and financial business for over 16 years. Ms. Beck graduated from California State University San Bernardino with a Bachelor of Science in International Business with a minor in Accounting and received a Master of Business Administration from Cal State San Bernardino. She has also dedicated the last 12 years advocating for youth and family programs, most importantly foster children.

**Sharon Page/Vice Chairman** – Sharon Page is the owner/operator of The HR Edge in Victorville, California, providing human resources consulting services to small and medium-sized businesses and organizations in the High Desert and Inland Empire. Ms. Page is an active member of both the IE SHRM and PiHRA Inland Valley chapters of the Society for Human Resource Management. She graduated from California State University, Northridge with a bachelor's degree in Communication Science and Services and holds both the SPHR and SHRM-SCP certifications.

**Marcia Vargas/Secretary** – Marcia Vargas retired as the Executive Director of 2-Way CABE and has been involved with two-way bilingual/dual immersion programs for over 20 years. Prior to her position with 2-Way CABE, Ms. Vargas worked as Curriculum Coordinator for Dual (Two-Way) Immersion Programs for the San Bernardino County Superintendent of Schools office. During her educational career, she also worked as a bilingual classroom teacher, bilingual resource teacher and bilingual coordinator. She has taught classes at the university level for California State University, Los Angeles, California State University, Long Beach, Claremont Graduate University and most recently taught a class, Foundations for Dual Language Education, for the University of California at Riverside. Ms. Vargas has a Bachelor of Science in \_\_\_\_\_ from Cal Poly, Pomona, a Master of Arts from California State University, San Bernardino and has completed class work toward a doctorate in \_\_\_\_\_ at the University of Southern California.

**James Morris/Treasurer** – Jim Morris is principal and owner of InCity Consulting, a management and financial consulting firm to public agencies. Mr. Morris has over twenty years of experience working in the fields of public policy and finance, municipal law, economic development, and public agency governance and leadership. He began his professional career as a public law attorney with the County of San Bernardino and Best Best & Krieger LLP. He is a graduate of Dartmouth College, and received both his Juris Doctorate and master's in Urban Planning from UCLA.

**Patricia Caldwell/Director** – Dr. Patricia Caldwell spent 20 years in the California community college system where she served as a counselor, instructor, academic department chair, dean, Vice-President/Assistant Superintendent and Interim President. Dr. Caldwell also has over 20 years' experience as a consultant to community colleges, public agencies, nonprofits, and state and county fairs primarily in the areas of strategic planning, management and board training, and organizational development. In addition to her professional activities, Dr. Caldwell has always been very committed to community service, serving on the Board of Directors of the Victor Valley Chamber, Victor Elementary School Board, VVC Foundation Board, and Desert Communities United Way

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\* Appointed by AVUSD.

Board. She has a dual Ph.D. from the University of California, Riverside in Politics of Higher Education and Management and Decision-making. Additionally, Dr. Caldwell taught in the Master of Business Administration program for the University of Redlands.

**Dr. Omari Onyango/Director** – Dr. Omari Onyango is the owner and CEO of Palmdale Family Dental & Orthodontics. Dr. Onyango has been the 1st Elder/administrator of SDA Fellowship of Rancho Cucamonga since 2006. He has served as chair of the Kenya American Association for two terms and was a researcher at Center for Dental Research, School of Dentistry, Loma Linda University. Previously, Dr. Onyango served as a note taker for the Board of Directors for Alliance for Multicultural Community Services in Houston. He was also a college Professor in the Department Community Health, School of Medicine, University of Nairobi, where he taught courses in Health Services Management and Health Care Administration. Dr. Onyango also coordinated an international course for the training of Health Care Administrators for the continent of Africa. He graduated with a DDS in 1985 and Masters in Public Health in 1988 from the University of Nairobi, Kenya. Dr. Onyango comes from a family of teachers.

**David Rib/Director** – David Rib joined Mitsubishi Cement Corporation in 2005, where he is Manager of Corporate Social Responsibility at the Cushenberry plant. He spent the previous 16 years at the Kramer Junction solar power plants, and before that at the Cool Water Coal Gasification Program in Daggett, California. Mr. Rib graduated from the University of Maryland with a Bachelor of Science in Chemical Engineering, and obtained a Master of Engineering in Mechanical Engineering from Rensselaer Polytechnic Institute. He holds certifications for Visible Emissions Evaluation, Hazardous Materials Specialist, UST Designated Operator and Radiation Safety Officer. Mr. Rib serves as Treasurer of the Mojave Environmental Education Consortium. He served on the Hearing Board of the Mojave Desert Air Quality Management District as the Engineer Member from 1994 to 2012. Mr. Rib is also involved in the following community organizations: Lucerne Valley Economic Development Association, MCC Educational Foundation, and Advisory Committee for Systems Control & Design Academy at Granite Hills High School.

**Jessica Rodriguez/Director** – Jessica Rodriguez started her career with Goodwill Southern California over 15 years ago. Ms. Rodriguez is the Regional Director of Workforce and Career Development and oversees workforce and career development programs in the Inland Empire. Before coming to Goodwill she had the opportunity to work with families in a shelter setting. Ms. Rodriguez graduated from California State University, Fullerton with a Bachelor of Science in Human Services and minor in Chicano Studies. She has sat on the San Bernardino Youth Engagement Team and was appointed to the San Bernardino County Workforce Development's Special Populations Committee.

**Rick Wolf/Director** – Rick Wolf retired from public school service in 2006 following 37 years' experience as a regular classroom teacher, a Special Education instructor, elementary school principal, and District Director of Student Services. Currently Mr. Wolf serves AVUSD on a part-time basis as the Expulsion Hearing Chairperson. He received a Master's Degree in Education from California State University, San Bernardino in 1983.

*Committees of the Board.* Standing Committees, not having and exercising the authority of the Board in the management of the Lessee, may be designated if approved by a majority of the Directors. The Board may delegate some of its rights and duties to the committees, but unless the Board passes a resolution delegating its authority on certain matters to a committee, the committee is a recommending body only.

*Contracts with Directors.* No Director of this Corporation nor any other corporation, firm, association, or other entity in which one or more of this Corporation's Directors are Directors whom have a material financial interest, shall be interested, directly or indirectly, in the contract or transaction, unless allowed under the provisions of Government Code Section 1090.

This Section does not apply to a transaction that is part of an educational or charitable program of this Corporation if it (a) is approved or authorized by the Corporation in good faith and without unjustified favoritism and (b) results in a benefit to one or more Directors or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this Corporation.

*Conflicts of Interest.* Board policy prohibits contracts with Directors or entities in which Directors have a material financial interest, except in limited circumstances involving educational or charitable programs of the Lessee.

In addition, the Lessee prohibits interested persons from serving on the Board, with "interested person" defined to mean "any person compensated by the [Lessee] for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise; or any ancestor, descendant, spouse, sibling, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person.

Further, the Lessee has adopted a conflict of interest code in compliance with State law. Directors, the President/CEO, the Director/Financial Officer, and Financial Consultants are not subject to the conflict of interest code, but must file disclosure statements under State law. Designated positions include Directors and alternates, candidates for the Board, superintendents, assistant superintendents, principals, the chief financial officer, and consultants/new positions as determined by the superintendent.

### **Management and Administration**

The Lessee's administrative team consists of Chief Executive Officer Lisa Lamb, Director of Human Resources Stacey Newman, Director of Fiscal Services David Gruber, Director of Student Support Services Gustavo Congo, Director of Information Technology Ryan Dorcey.

**Lisa Lamb, Chief Executive Officer** – Lisa Lamb has been an educator for more than 20 years, including as a teacher and administrator in California public schools and charter schools. She joined the School as a teacher in 2008, became Vice Principal in 2011, Principal in 2013, Chief Academic Officer of the Lessee in 2016, and President/Chief Executive Officer of the Lessee in 2016. Ms. Lamb holds a Bachelor of Arts in Liberal Studies from California Baptist University, a Master of Arts in Curriculum and Instruction from Chapman University, and a Master of Arts in Educational Administration from California State University, San Bernardino. In addition, she is pursuing a Doctor of Education in Organizational Leadership from Grand Canyon University, anticipated Spring 2021. She is a member of the Apple Valley Chamber of Commerce, the Astronomical Society of the Pacific, the California Charter School Association, the Desert Mountain SELPA (CAHELP Governance Council), the High Desert Church, and the International Association of Lab Schools. Ms. Lamb is also on the board of directors of the Victor Valley Chamber of Commerce.

**Stacy Newman, Director of Human Resources** – Stacey Newman has more than 25 years of experience in business, including as a human resources director, manager, part-time teacher, and administrative assistant. Ms. Newman has been the School's Director of Human Resources since 2013 after originally joining the School in 2002 and becoming its Human Resources Manager in 2006. Ms. Newman holds Associates Degrees in Humanities and Social Science from Barstow Community College and a Bachelor of Arts in Social Science and a Master of Arts in Organizational Leadership with a Certificate in Human Resources from Chapman University.

**David Gruber, Director of Finance** – David Gruber has more than 18 years of experience in Government Finance, including roles as a fiscal clerk, accounts payable/receivables technician, fiscal analyst, health and welfare administrator, payroll administrator, finance director, and even a substitute teacher. Mr. Gruber has been the School's Director of Finance since March 2018 after 13 years working for Fontana Unified School District in the capacities of Fiscal Analyst in 2005, Coordinator of Fiscal Services in 2010, and Payroll Supervisor in 2014. Mr. Gruber holds a Bachelor of Arts in Administration with a concentration in Management from California State University of San Bernardino.

**Gustavo Congo, Director of Student Support Services** – Gustavo Congo has been working for the Lessee since 2012. Mr. Congo started working as a school psychologist/counselor and was recently promoted to Director of Student Services. Mr. Congo holds a Master's degree in Educational Psychology with an Education Specialist Authorization from Azusa Pacific University and a B.A. in Criminal Justice from Chapman University. Mr. Congo is also currently working as an Associate Professional Clinical Counselor providing private clinical therapy services including the treatment of a wide range of clinical conditions. Mr. Congo is a member of the Desert Mountain SELPA Steering Committee in which he currently participates in a variety of multi-agency meetings..

**Ryan Dorcey, Director of Information Technology** – Ryan Dorcey has worked at the Lessee since 2002. Throughout his tenure, he has held various roles including Systems Programmer and Manager of Global Operations. He is currently serving as the Director of Information Technology and Global Programs. In his role, he is responsible for all educational technology initiatives at the the School and NSLA, as well as the GAVRT partnership with the Lessee and JPL/NASA. He actively supports NASA/JPL missions such as Juno and GAVRT campaigns including Black Hole Patrol, Search for Extraterrestrial Intelligence, Jupiter Quest and Solar Patrol.

## **Budgeting and Financial Reporting**

*Fiscal Year.* The fiscal year of the Corporation begins on July 1 and end on June 30 of each subsequent year.

*Budget.* The budget process of the Lessee is a collaborative process that takes approximately four to five months to complete. The finance department begins the process reviewing and updating revenue sources, making sure that all possible grants and apportionments available to the School and NSLA are addressed. Then the Lessee places expenditures against the revenue, accounting for hard cost expenditures first, like facility debt payments/rent, personnel costs with statutory benefits associated, followed by setting an economic uncertainty reserve to help support a continued positive fund balance. And finally, the School and NSLA principals and each department director provide input on how to allocate remaining available funds to support the students' instructional needs. Additional detail is provided below.

In January, the Director of Finance attends the Governor's Budget Workshop to hear the preliminary new fiscal year budget. Based on the information discussed, the finance department begins to develop the budget for the upcoming year. The finance department then downloads the new Fiscal Crisis Management Assistance Team ("FCMAT") calculator with the updated Cost-of-Living Adjustment ("COLA") proposals and begins to account for the upcoming fiscal year Local Control Funding Formula ("LCFF") apportionments for the School and NSLA. The Lessee also begins to review the categorical programs that it currently receives and determines if there are any other grants available that it can apply for to help support the schools in the upcoming school year.

From February through April, the finance department verifies the upcoming annual debt expenses to confirm that all new and existing debt is up to date for the current and upcoming fiscal year. Then the executive team begins to discuss the proposed medical cost premiums, retirement contribution increases and even the potential ability to provide a COLA salary increase based on increased revenue provided in the Governor's Budget. The finance department works with human resources to calculate the step and column salary adjustments for all personnel and enter them into the workbook. Once capital debt expenses and salaries and benefits are entered, the Lessee begins to identify the remaining available budget to provide for additional personnel needs, supplies, and services at each school and department. The School and NSLA principals and each department director provide input on their preliminary budget to make sure that all areas of need are discussed. The Lessee's process starts with restricted categorical programs first, so that the Lessee can plan to use its most restricted dollars first allowing its apportionment to be utilized for school wide programs and projects.

In May, the Director of Finance attends the Governor's May Revision Workshop to hear the revised budget for the new fiscal year. Based on the updated information discussed, the finance department downloads a newly updated FCMAT calculator to confirm any changes to the new fiscal year revenues and addresses any other areas of the budget that is impacted based on the changes the governor made to the budget. Based on any changes made in the funding of the School and NSLA during the Governor's May Revision from the January Budget, the finance department works with each administrator. The finance department goes over expenses for any potential increases to their budgets, or if necessary, any minor reductions to their budget based on what was entered earlier in the budget process.

In June, the finance department holds a budget workshop with the Board. At this workshop, the finance department speaks to the areas addressed in the Governor's budget and how the School, NSLA, and each department will be utilizing the funds for the upcoming school year. During this workshop, the Board and Management dive into all areas of the budget and make sure that the budget meets the needs and expectations set forth in the Lessee's organizational plan. At the monthly Board meeting following the workshop, the Board reviews the final budget based on any potential recommendations made at the workshop and approves the new Budget for the following

fiscal year. Once the budget has been adopted by the Board, the finance department submits the budget to the School's and NSLA's charter authorizers.

*Annual Report.* Each year, the Board is required to cause to be delivered to itself an annual report containing the following information: (i) the assets and liabilities, including the trust funds, of the Lessee as of the end of the fiscal year, (ii) the principal changes in assets and liabilities, including trust funds, (iii) the revenue or receipts of the Lessee both unrestricted and restricted to particular purposes, (iv) the expenses or disbursements of the Lessee for both general and restricted purposes, and (v) any information required under the bylaws of the Lessee (the "Bylaws").

*Audited Financial Statements.* The financial books and records of the Lessee are required to be audited annually, at the end of the fiscal year, by an independent auditor assigned by the Board. In addition, the financial books and records of the Lessee are required to be audited upon the resignation of the Chief Financial Officer of the Lessee. The Lessee selects an independent auditor who, at a minimum, is a certified public accountant with educational institution audit experience approved by the State Controller.

The annual audit is required to be completed and forwarded to AVUSD, the County Superintendent of Schools, the State Controller, and CDE by December 15 following the end of each fiscal year.

*Other Financial Reporting.* The Charter requires that the Lessee provide the following reports to AVUSD, along with any additional reports as requested by the Superintendent:

- On or before July 1, a Board-approved budget.
- On or before July 1, an annual update (Local Control and Accountability Plans ("LCAP")) required pursuant to State law.
- On or before December 15, a first interim financial report, reflecting changes through October 31.
- On or before March 15, a second interim financial report reflecting changes through January 31.
- On or before September 15, a Charter School Unaudited Actuals Financial Report for the prior fiscal year.
- On or before December 15, an annual audit for the prior fiscal year.

### **Strategic Plan**

Beginning in 2016, the Lessee developed a strategic plan examining issues and concerns, and to share thoughts, ideas and suggestions on the future of the Lessee, the School, and NSLA. The strategic plan is updated annually and progress toward goals and objectives are reported at all regularly scheduled board meetings. The goals that came out of the 2019 planning process are:

- Build the financial capacity of the Lessee, including key provisions for sustainability.
- Develop and maintain facilities to meet the TK-12 needs at the School, NSLA and AVCI and informal education needs at AVCI and Mineral City.
- Strengthen the academic programs at the School and NSLA resulting in increased student mastery while preparing every student for post-secondary success in the global society.
- Recruit, develop and retain a highly qualified and diversified staff.
- The Lessee will communicate and operate under a common vision, mission, goals and objectives.

### **Norton Space and Aeronautics Academy**

In addition to the School, the Lessee also operates a separate public charter school: NSLA. In 2008, NSLA opened in San Bernardino, serving approximately 200 students in grades K-2. NSLA currently serves approximately 800 students in grades TK-8 and Management expects that NSLA will expand to serve approximately 1,450 students in grades TK-12 for the 2024-25 school year.



**The revenues of the Lessee derived from its operation of NSLA are not pledged to the repayment of the Series 2019 Bonds and the facilities from which the Lessee operates NSLA are not pledged to secure the Series 2019 Bonds.**

#### **Goldstone Apple Valley Radio Telescope ("GAVRT")**

The Lessee also operates the GAVRT Radio Astronomy Program as a partnership with NASA/JPL which strives to inspire and educate students through their active contribution to professional science. Its vision is "students, educators, and scientists learn together doing radio astronomy."

The Mojave River Campus includes a mission control center and visitor complex which houses GAVRT. GAVRT began in 1996 when NASA and JPL entered into an agreement to turn over operational control of a 34-meter, 500-ton radio antenna to the Lessee. The Lessee celebrated the 20th anniversary of its partnership with NASA/JPL in 2016.

Students from both the School and NSLA and from across the globe operate two 34 meter, 800,000-pound radio telescopes remotely from their own classroom while being directed by mission operators in the Lessee's Mission Control Center. GAVRT personnel have created the software and curriculum for this program and are currently aligning all content with the California Next Generation Science Standards ("CA NGSS").

The GAVRT curriculum, developed by LCER staff and a team of eminent JPL scientist and engineers, provides a hands-on educational program for young scientists, grades K-12, who actually take control of GAVRT to study a variety of radio sources in space, including the planet Jupiter. The GAVRT remote-learning program has expanded to include 388 teachers in more than 221 schools in 36 states, three territories, and 13 countries, including several schools in the High Desert and surrounding regions. More than 32,000 American students worldwide have participated in this unique radio astronomy program.

**The revenues of the Lessee derived from the GAVRT Program are not pledged to the repayment of the Series 2019 Bonds and the facilities from which the Lessee operates the GAVRT Program are not pledged to secure the Series 2019 Bonds.**

#### **Apple Valley Center for Innovation**

The Lessee also operates AVCI as a joint venture between the Lessee and AVUSD, designed by administrators and teachers to promote STEM within the community. The goals of AVCI are to (i) facilitate a connection between local educational institutions and STEM driven entities to better serve the community, (ii) create experiences that inspire discovery and ignite innovation which transform activities in homes, classrooms, and work spaces in the community, and (iii) provide targeted activities, based on best-practices, for educators to replicate.

**The revenues of the Lessee derived from its operation of AVCI are not pledged to the repayment of the Series 2019 Bonds and the facilities from which the Lessee operates AVCI are not pledged to secure the Series 2019 Bonds.**

#### **Lewis Center Foundation**

The Lessee also operates as the Foundation, which awards scholarships to seniors graduating from the School. Since 1999, the Foundation has awarded \$219,031 in scholarships.

### **THE BORROWER**

#### **General**

The Borrower is a California limited liability company whose articles of organization were filed with the State on \_\_\_\_\_, 2019. The Borrower's sole member is the Lessee, and the Borrower's sole expected source of

revenue will be the Lease Payments it receives from the Lessee pursuant to the Lease Agreement. See "SECURITY FOR THE SERIES 2019 BONDS."

## **THE SERIES 2019 PROJECT**

### **General**

The Authority will loan the proceeds of the Series 2019 Bonds to the Borrower for the following purposes: (i) financing or refinancing the acquisition, renovation, improvement, furnishing, and equipping of Series 2019 Facilities; (ii) funding a debt service reserve fund for the Series 2019 Bonds; (iii) funding capitalized interest with respect to the Series 2019 Bonds; and (iv) paying certain expenses incurred in connection with the issuance of the Series 2019 Bonds.

### **The Series 2019 Facilities**

On the Closing Date, the Lessee will deed the Series 2019 Facilities to the Borrower and the Borrower will lease the Series 2019 Facilities to the Lessee pursuant to the terms of the Lease Agreement.

The Borrower's sole member is the Lessee, and the Borrower's sole expected source of revenue will be the Lease Payments it receives from the Lessee pursuant to the Lease Agreement. See "SECURITY FOR THE SERIES 2019 BONDS."

### **Capital Improvements**

On the Closing Date, the Borrower will undertake certain improvements to the Series 2019 Facilities, including but not limited to the conversion of a cafeteria to a multipurpose room and science labs, the construction of a parking lot, and the construction of soccer and track fields.

**[Placeholder for details regarding the capital improvements, including budget, schedule, and contracts.]**

### **The Lease**

The Lessee will lease the Series 2019 Facilities from the Borrower pursuant to the Lease Agreement. See "THE BORROWER" and "SECURITY FOR THE BONDS – The Lease Agreement" in the forepart of this Official Statement.

### **Mortgaged Property**

The Series 2019 Bonds will be secured in part by a Deed of Trust, Security Agreement, Assignment of Rents and Leases, and Fixture Filing dated as of November 1, 2019 (the "Deed of Trust"), executed by the Borrower, as trustor. Only the Series 2019 Facilities; rents, issues profits, revenues, royalties, income and other benefits derived from the Series 2019 Facilities; and intangibles relating to the Series 2019 Facilities are and will be subject to the Deed of Trust. See " – The Series 2019 Facilities" above for a more detailed description of the Series 2019 Facilities and see " – Appraisal" below for a description of the appraised values thereof.

**Only the Series 2019 Facilities are subject to the Deed of Trust. The facilities from which the Lessee operates NSLA, GAVRT, and AVCI are not pledged to secure the Series 2019 Bonds.**

### **Appraisal**

**[Placeholder for appraisal description to come.] Such appraised value is less than the amount of Series 2019 Bonds to be issued.**

The summary of the Appraisal Report contained in this section is not meant to be exhaustive, and reference should be made to such report for a complete recital of its terms. A complete copy of the appraisal will be available

upon request, as described under "MISCELLANEOUS – Additional Information." The values of the Series 2019 Facilities as estimated in the Appraisal Report represent only the opinion of the Appraiser, and only as of the effective date of the appraisal. The Appraiser will not be engaged to update or revise the estimates contained in the Appraisal Report after its date. See "RISK FACTORS – Value of Property May Fluctuate; Limitations of Appraisals." A copy of the Appraisal Report is available at \_\_\_\_\_, and such Appraisal Report is incorporated herein by reference.

## **Environmental Reports**

AEI Consultants (the "Consultant") conducted a Phase I environmental site assessment of the Series 2019 Facilities and summarized its findings in a report dated August 7, 2019 (the "Phase I Report"). The Phase I Report states that the Consultant did not identify evidence of any recognized environmental conditions ("RECs"), controlled RECs, historical RECs, or other environmental considerations in connection with the Series 2019 Facilities and that the Consultant recommends no further investigation of the Series 2019 Facilities.

The Phase I Report speaks only as of its date, and the Consultant has not been asked to perform any additional assessment since the time of the Phase I Report. Further, the Phase I Report is subject to the limitations specified in such report. More generally, no environmental assessment can completely eliminate uncertainty regarding the potential for recognized environmental conditions in connection with a subject property. Potential investors must refer to the complete Phase I Report for a full understanding of such limitations, and for additional information pertinent to the assessment and report. Copies of the Phase I Report are available upon request, as described under "MISCELLANEOUS – Additional Information." Costs incurred by the Lessee with respect to environmental remediation or liability could adversely affect its financial condition. See "RISK FACTORS – Environmental Regulation."

## **THE SCHOOL**

### **Administration**

The School's administrative team consists of Principal Valli Andreasen, Elementary Vice Principal Lisa Longoria, and Middle School/High School Principal Sally Ritchea.

**Valli Andreasen, Principal** – Valli Andreasen has been in education since 1998 when she started as an elementary teacher. In 2003, she joined the School as a teacher before becoming the Elementary Vice Principal in 2014. She became the Elementary Principal in 2016 and the TK-12 Principal in 2018. Ms. Andreasen holds a Bachelor of Science Degree in Social Psychology from Park College and is currently completing her Master of Science Degree from National University in Educational Administration. She holds a California Multiple Subject Teaching Credential and a California Administrative Services Credential.

**Lisa Longoria, Elementary Vice Principal** – Lisa Longoria has spent 15 years in education, with experience teaching grades K-5, middle school English Language Arts, and 12th grade Economics. Her leadership experience includes leading in charter schools, Director of Curriculum & Instruction, and Elementary Vice Principal. Dr. Longoria holds a Bachelor's Degree in Liberal Studies from California State University, Northridge and a Master's Degree in Curriculum & Instruction from California State University, San Bernardino. She earned her Ph.D. at Claremont Graduate University in 2017, her dissertation work surrounding Social Capital accrual through different modalities of beginning teacher mentorship in an induction program. Dr. Longoria holds an Administrative Services Credential and certificates in online and blending teaching and teacher leadership. She has presented at the Hawaii International Conference of Education, the EdTech Summit, and the California Council for Teacher Education, where she also served as the Graduate Student Caucus Coordinator.

**Sally Ritchea, Middle School/High School Vice Principal** – Sally Ritchea has been an educator for the past 16 years after a 21-year career in the law enforcement field. In her prior career, Ms. Ritchea realized the importance of education as the key to assisting children be successful, rather than punitive measures. She holds a Bachelor of Science Degree in Justice Studies/Public Administration from Arizona State University and a Master of Arts in Education from Azusa Pacific University. Her credentials include Pupil Personnel Services, Education

Specialist, and an Administrative Credential. She is a member of Wild Horsemen of America, a charitable organization that raises funds for wounded and fallen law enforcement personnel and their families.

*Faculty and Employees.* The following table sets forth certain information regarding the staff employed by the School for the 2015-16 school year through the 2019-20 school year and expected to be employed for the 2020-21 through 2023-24 school years.

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
Teachers	66	66	66	66	66	66	66	66	66
Administration	14	13	13	13	13	13	13	13	13
Support	<u>90</u>	<u>84</u>	<u>84</u>	<u>84</u>	<u>84</u>	<u>84</u>	<u>84</u>	<u>84</u>	<u>84</u>
<b>Total Full Time</b>	<b>170</b>	<b>163</b>	<b>163</b>	<b>163</b>	<b>163</b>	<b>163</b>	<b>163</b>	<b>163</b>	<b>163</b>

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The following table sets forth the School teacher retention rates for the 2015-16 school year through the 2018-19 school year, calculated as the percentage of teachers leaving the School at the end of each such school year.

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
<b>Teacher Retention Rate</b>	88%	89%	88%	88%

The School's core, college prep teachers must meet the "highly qualified" requirements under federal law, including having a bachelor's degree, appropriate State teaching credential, and demonstrated core academic subject competence through California Department of Education ("CDE") approved subject matter examination or through the California High Objective Uniform State Standard of Education.

The School makes every effort to hire teachers with Cross-cultural Language and Academics Development ("CLAD") certification and, whenever possible, prefers to hire teachers with three or more years of experience working as a teacher in a public school.

Annually, the School conducts an in-house compensation survey with AVUSD to offer wages and benefits sufficient to attract, hire, and retain the most qualified individuals. The School endeavors to offer employees similar types and amounts of retirement benefits that they would receive in most school districts:

- California State Teachers' Retirement System ("CalSTRS"): Certificated employees
- California Public Employees' Retirement System ("CalPERS"): Non-Certificated employees
- Social Security: Non-Certificated Employees
- Alternate Retirement System: Part-time non-certificated employees working less than 20 hours per week

#### **Future Plans**

Except as set forth herein, the Lessee has no plans to expand or replicate the School. The Lessee does have operations separate from the School, including but not limited to NSLA. See "RISK FACTORS – Other Lessee Schools."

#### **Service Area**

*General.* The School is located in Apple Valley, California ("Apple Valley"), in the County, within the area served by the Apple Valley Unified School District ("AVUSD"). AVUSD serves approximately 13,000 students in ten elementary and middle schools, two high schools, and two independent study, opportunity, and online learning centers.

*Community Profile.* Apple Valley is 78 square miles, but has a sphere of influence that encompasses 200 square miles. Apple Valley is part of the High Desert, located 3,000 above sea level approximately 80 miles northeast of Los Angeles, 150 miles north of San Diego, and 190 miles south of Las Vegas. Apple Valley has fifteen parks, two golf courses, and extensive walking, biking, and horseback riding trails.

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*Apple Valley, the County, and the State Population and Demographic Information.* The U.S. Census Bureau has estimated the following demographic statistics for the Apple Valley, the County, and the State.

	<u>Apple Valley</u>	<u>The County</u>	<u>The State</u>
Population estimate, 2018	73,508	2,171,603	39,557,045
Population estimate, 2010	69,146	2,035,201	37,254,523
Population change	6.3%	6.7%	6.2%
Persons under 5 years, 2018	7.2%	7.1%	6.2%
Persons under 18 years, 2018	26.4%	26.4%	22.7%

*Income and Employment.* The following tables show per capita personal income data for the State and the County, as applicable, for the years shown, each according the U.S. Department of Commerce Bureau of Economic Analysis.

**State Per Capita Personal Income**

<u>Description</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Personal Income (000s)	\$1,853,467,228	\$1,885,672,430	\$2,021,640,034	\$2,173,299,670	\$2,259,413,865	\$2,364,129,404
Population	38,019,006	38,347,383	38,701,278	39,032,444	39,296,476	39,536,653
Per Capita Personal Income (\$)	48,751	49,173	52,237	55,679	57,497	59,796

**County Per Capita Personal Income**

<u>Description</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Personal Income (000s)	\$65,833,489	\$67,618,657	\$71,996,839	\$76,867,970	\$80,171,722	\$83,741,561
Population	2,076,601	2,086,732	2,104,038	2,120,794	2,137,131	2,157,404
Per Capita Personal Income (\$)	31,703	32,404	34,218	36,245	37,514	38,816

The following table lists the top ten employers in the County, as reported in the San Bernardino County, State of California, Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018.

<u>Rank</u>	<u>Company</u>	<u>Industry</u>
1	County of San Bernardino	Government
2	Loma Linda University Medical Center	Health Care
3	Amazon	Retail
4	State of California	Government
5	Kaiser Permanente	Physicians & Surgeons
6	Wal-Mart	Retail
7	San Bernardino City Unified School District	Education
8	Stater Brothers	Retail
9	U.S. Government	Government
10	UPS	Shipping

**Competitive Schools**

*Public Schools.* AVUSD serves approximately 13,000 students in ten elementary and middle schools, two high schools, and two independent study, opportunity, and online learning centers. Management has identified all

AVUSD schools as potential competitors of the School, with Desert Knolls Elementary (TK-6), Sitting Bull Academy (TK-8), and Apple Valley High School (9-12) sharing similar demographics. Management has also identified two local public schools outside of AVUSD as competitors. Certain basic information and comparative performance data for these schools and the School is provided under the heading " – Basic Information and Comparative Performance Data."

*Charter Schools.* Management has identified one charter school serving grades 7-12 as a competitor of the School. Certain basic information and comparative performance data these schools and the School is provided under the heading " – Basic Information and Comparative Performance Data."

*Private Schools.* Management considers no private schools to be competitors for the School's students.

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*Basic Information and Comparative Performance Data.* The tables below show certain information about the School and the schools Management has identified as the School's competitors, including limited demographic information and performance data for the 2017-18 and 2018-19 school years. Additional information about the School and the performance measurements indicated below is provided below under the headings " – Academics and Performance" and " – Demographics and Enrollment."

<u>School</u>	<u>School Type</u>	<u>2018-19 Enrollment</u>	<u>2018-19 Socioeconomically Disadvantaged</u>	<u>2018-19 English Language Learners</u>	<u>2017-18 CAASPP ELA</u>	<u>2017-18 CAASPP Math</u>	<u>2018-19 CAASPP ELA</u>	<u>2018-19 CAASPP Math</u>
<b>The School</b>	Charter TK-12	1,435	37.9	2	57	38	Not yet published	Not yet published
Riverside Prep	Dependent Charter TK-12	2,333	71.8	9.4	34	18	Not yet published	Not yet published
Endeavor School of Exploration	Dependent Charter K-6	719	47.8	6.1	64	60	Not yet published	Not yet published
Desert Knolls	District TK-6	592	73.1	9.6	36	29	Not yet published	Not yet published
Sitting Bull Academy	District TK-8	1,663	54.1	8.4	54	41	Not yet published	Not yet published
Excelsior Charter School	Charter 7-12	1,873	57.8	2.3	49	13	Not yet published	Not yet published
Apple Valley High School	District 9-12	2,183	57.5	6.9	49	22	Not yet published	Not yet published

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## Map of School Locations

The map below show the locations of the Series 2019 Facilities [**and \_\_\_\_\_**].

**[Placeholder for map; TBD depending on preferred presentation of Series 2019 Facilities and other locations relevant to the School.]**

## The Charter

The Charter was granted effective July 1, 2015, for a five-year term which is currently scheduled to expire on July 1, 2020, if not renewed prior to that date. The Lessee will be required to apply for extensions or renewals of this Charter in order for the School to operate beyond July 1, 2020. See "RISK FACTORS – Nonrenewal or Revocation of Charter."

State law requires that a charter school must meet at least one of the following renewal criteria prior to receiving a charter renewal: (i) attained its Academic Performance Index ("API") growth target in the prior year or in two of the last three years, both school wide and for all groups of pupils served by the charter school, (ii) ranked in deciles 4 to 10, inclusive, on the API in the prior year or in two of the last three years, (iii) ranked in deciles 4 to 10 inclusive, in the API for a demographically comparable school in the prior year or in two of the last three years, or (iv) the entity that granted the charter determines that the academic performance of the charter school is at least equal to the academic performance of the public schools that the charter school pupils would otherwise have been required to attend, as well as the academic performance of the schools in the school district in which the charter school is located, taking into account the composition of the pupil population that is served at the charter school.

## Accreditation

The School has been accredited by the Accrediting Commission for Schools, Western Association of Schools and Colleges since 2002, and is currently accredited for six years, through June 30, 2024, subject to a three-year mid-term review.

## Academics and Performance

*Mission and Vision.* The mission of the School is:

The Academy for Academic Excellence exists to prepare students for post-secondary success through a relevant, rigorous college-preparatory education.

The vision of the School is:

With courage, generosity and honor, the Academy for Academic Excellence works to ensure high levels of learning and to nurture a growth mindset for all. As a collaborative community, the Academy for Academic Excellence uses effective instructional practices that are STREAM-focused, research-based and data-driven. The Academy for Academic Excellence engages in integrated-learning experiences that promote global mindedness, critical thinking, and a redefined use of technology.

### Academic Achievement

- Use acquired knowledge and skills to connect school to life by being able to prioritize goals, access information, and use time effectively.
- Demonstrate academic excellence by achieving and exceeding California content standards.
- Identify academic strengths and career interests.

### Analytical Thinking

- Demonstrate problem-solving skills and critical thinking.
- Logically evaluate, synthesize, and apply new information.
- Use acquired skills to be a responsible citizen at the school and in the community.

### Effective Communication

- Articulate ideas, opinions, and information clearly.
- Use verbal, written, technical, and creative expression.
- Develop individual and collaborative working skills.

*Values.* In support of its mission and vision, the School has adopted certain values, which Management considers to be "ethical priorities to guide our decision-making and our treatment of one another":

- Integrity: We strive to engender trust in our intentions and abilities by acting courageously and adhering to a strong moral compass.
- Excellence: We aspire to excellence through supporting our community of learners in the practice of continuous innovation, collaboration and growth.
- Leadership: Being forerunners, pace-setters and cultivators, we demonstrate strong leadership rooted in principles of integrity, accountability, respect and communication.
- Inclusiveness: We will leverage our diverse and inclusive community to achieve superior results in the field of education.

*Curriculum.* The content of the School's K-12 curriculum is aligned with Common Core State Standards. The School offers a full range of courses, including Language Arts, Mathematics, History/Social Studies, Science, Visual and Performing Arts, and Physical Education/Health.

Courses stress the application of content knowledge to solve real-life problems, which is accomplished by (i) focusing on essential skills of reading, written and oral communications, mathematics, science, and history, (ii) emphasizing experiential learning by providing hands-on projects, (iii) a focus on information literacy, giving students the tools necessary to access relevant information and applying it to specific situations, (iv) providing access to state of the art technology through partners such as Apple Computers, NASA/JPL, Mojave Water Agency ("MWA"), and Department of Defense Education Activity ("DoDEA"), (v) research-based designed strategies that provide students with opportunities to implement projects using advanced technologies, such as GAVRT, a one-to-one laptop program, a video studio, and technology courses.

In addition, students participate in internships in the local community, mentoring programs and volunteer activities. The School works closely with VVC through the K16 Bridge Program, in which students are provided the opportunity to concurrently enroll in VVC in order to accelerate their college preparedness or to take advantage of courses not offered by the School. The School articulates with other institutions of higher learning including aligning courses with the University of California system "a – g" requirements and meeting College Board's AP standards.

Instructional activities occur in a variety of settings at the School, which offers a traditional, full-time classroom program employing a combination of traditional and block scheduling. Students select from a full menu of courses. The School has the ability to add additional minutes to its educational day or year and increase graduation requirements when necessary to enhance the educational opportunities for its students. In all programs and by agreement, parents are active participants in the educational activities of their students. Parents, staff and students are equally accountable for the success of each student at the School.

The School uses short- and long-term independent study programs, in compliance with State law, to meet the diverse needs of students.

Student learning not only occurs in the classroom, but instructional activities occur in other non-traditional settings, including the Mission Control Center for the GAVRT program and outdoors in the rich biome of the Mojave River Campus. The Mojave River Campus is situated on 150 acres that include a 133-acre natural riparian environment and a fresh water marsh. The wildlands are used as a natural laboratory setting to study ecology, biology, geology, and natural and human history.

The School is a member of the National Association of Laboratory Schools ("NALS"), and is the educational research laboratory for the Lessee to include its university partners. Parents of students at the School are given information on studies to be carried out at the School and required to sign a Certification of Acknowledgement of Research Involving Human Subjects form to allow their children to participate in academic research.

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The following table sets forth the School's curriculum by subject area and grade level for the 2019-20 school year.

<b>Subject Area</b>	<b>Grade Level</b>	<b>Curriculum</b>
Math	K-5	<i>Ready Math</i>
Math 6-8, I, II, III, AP, Business Math	6-12	<i>Carnegie Math</i> <i>Calculus: Stewart's Calculus, AP Ed., 7th ed. (Cengage/ Hardside &amp; Quant, 2012)</i> <i>Business Math: Mathematics with Business Applications (Glencoe, 2007)</i> <i>Statistics: Practice of Statistics, 4th ed. (Bedford, Freeman &amp; Worth, 2010)</i>
English Language Arts	K-5	<i>Benchmark Advanced</i>
English Language Arts	6-12	CCSS aligned literature-based studies selected from the California Dept. of Ed Approved Literature List
Science	TK-5	Open-source materials aligned to NGSS such as Mystery Science Piloting 2019-20; adopt 2020
Science	6-8	<i>Project-Based Inquiry Science (IAT Interactive, 2014)</i>
Science	9-12	Health is taught as part of our middle school rotation with teacher-created curriculum Teacher-created curricula, using a variety of online and print materials, aligned to NGSS. <i>Anatomy &amp; Physiology: Essentials of Anatomy and Physiology, Martini &amp; Bartholomew, 6th ed. (Pearson, 2013)</i> <i>Environmental Science: Living in the Environment (Holt, McDougal 2011)</i>
Social Studies	TK-5	Grades K-5: Teacher-created curriculum using a variety of online and print resources, including material embedded within the <i>Benchmark Advance</i> language arts curriculum, and other print and online resources, aligned with the California state standards for History-Social Science
Social Studies	TK-5	Grades K-5: Teacher-created curriculum using
Social Studies	6-8	<i>Grades 6-8: TCI History Alive! (Teachers Curriculum Institute, 2007) (On most recent SBE adoption list for this subject)</i>
Social Studies	9-12	<i>Grade 10 (World History): Modern World History: Patterns of Interaction (McDougal Littell, 2005)</i> <i>Grade 11 (United States History): The Americans (McDougal Littell, 2005)</i> <i>AP American History: The American Pageant, 12th ed. (Houghton Mifflin, 2002)</i> <i>American Government: Government Alive! Power, Politics, and You (Teachers Curriculum Institute, 2007), supplemented with United States History: Preparing for the Advanced Placement Examination, 2015 Edition (AMSCO, 2014)</i> <i>AP American Government: Magleby Government by the People. 24th ed., AP ed. (Pearson, 2011)</i> <i>Economics: Econ Alive! The Power to Choose (Teachers Curriculum Institute, 2007)</i> <i>Psychology: Introduction to Psychology: Gateways to Mind and Behavior. 14th edition (Cengage, 2016)</i>
LOTE	9-12	<i>Grades 9-12: Spanish 1-4 utilizes teacher-created curriculum</i>
Visual and Performing Arts	6-12	<i>Instrumental Music Classes: Essential Elements 2000 (Hal-Leonard 2004)</i>

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*Local Outreach, Field Trips, and Community Partnerships.* The Lessee offers a number of local outreach and field trip opportunities for public and private schools, including the California Gold Rush, Trails West, Weather, Solar System, Aviation, Water Walk, Wildlands Walk, Tortoise Terrace, and Community Astronomy nights, in which the School's parents, students, and community members participate. Offered since 1990, outreach programs draw more than 7,000 visitors a year to the Mojave River Campus. In addition to the educational opportunity afforded the visitors, the outreach program helps positively build the reputation of the School in the community.

The School enjoys many long-standing local and national partnerships. Among these is the United States Air Force-sponsored Junior ROTC ("AFJROTC") program at the high school level. Since 2006, the unit has received many honors, most significantly the Distinguished Unit Award for each of the past nine years. Additionally, the unit has earned the prestigious Silver Star Community Service Award. These combined honors place cadets within the top 1% of all AFJROTC Units in the United States. The School's AFJROTC instructors have also been honored by the United States Air Force, with Col. George Armstrong has been honored as AFJROTC Worldwide Officer Instructor of the Year, Outstanding Instructor with Merit, and Region 4 Outstanding Instructor. Many of the program's graduates attend the Air Force Academy, receive scholarships to universities, continue in Senior ROTC, or directly enlist in the armed services.

Additionally, the Thunderbird Campus is home to a large telescope that the High Desert Astronomical Society operates for its sky watch program. Students from the School and AVUSD participate in STEMS events and activities through AVCI. On the Mojave River Campus, the local California Turtle and Tortoise Club houses many of its tortoises in the School's Tortoise Terrace Habitat. Funding from Mitsubishi Cement and local grants provide for continued environmental science studies on campus. The California Department of Fish and Game funds a Mojave Tui Chub program so this endangered species may be reintroduced into its natural environment of the Mojave River that runs through campus. One of the newest partnerships is a longitudinal study about the rehabilitation of the School's wetlands after fire and flooding, both of which have occurred in recent years.

*Technology.* The School began a one-to-one laptop program in 2009, using the laptops daily both at the School and at home. This program has grown substantially over the years as teachers have integrated technology in the core curriculum to strengthen the learning and skills of students in a multitude of areas. As of the 2017-18 school year, the School adopted a tablet-based solution using iPads. A standing computer lab and iPad carts are also used in grades TK-3 to facilitate the use of technology across the curriculum. The instructional technology resources are accounted for under the School's LCAP.

*Parental Involvement.* The Lessee works closely with Apple Valley, AVUSD, local Chambers of Commerce, and other civic organizations. The School's Parent Teacher Committee ("PTC") is especially active on campus, providing help in various areas, such as raising funds for field trips, capital improvements, and in-class needs. Other active parent groups are School Site Council/English Learner Advisory Committee ("ELAC") and Parents and Pastries—a monthly forum with administration and parents. The School also has a system for training and clearing parent volunteers. As of September 15, 2019, 428 parents have completed that process for the 2019-2020 school year.

*Extracurricular Activities.* The School offers the following extracurricular activities.

- Air Force Junior Reserve Officer Training Corps ("AFJROTC")
  - Armed Drill Team
  - Unarmed Drill Team
  - Saber Team
  - Aerospace Modeling Team
  - Awareness and Presentation Team
  - Cyber Patriot Team
  - Academic Team
  - Marksmanship Team
  - Raider Team
- Visual and Performing Arts Programs
  - Knights Marching Band
  - Knights Concert Band

- Knights Orchestra
- Dance Team
- Drama
- Elementary After-School Electives
- Beginning Band
- Strings
- Choir
- Dance
- Honors Societies
  - National Honor Society ("NHS")
  - National Junior Honor Society ("NJHS")
  - National Elementary Honor Society ("NEHS")
- Leadership Programs
  - Associated Student Body ("ASB") Elementary, Middle School, High School
  - Senior Leadership Team
  - Ambassadors
  - Principal's Cabinets
- STEM Clubs
  - Apple Valley Center for Innovation Explainers
  - AEX Aviation
  - HOSA-Future Health Professionals
- Athletics/Middle School
  - Students Run Los Angeles ("SRLA")
  - Cross Country (Girls and Boys)
  - Volleyball (Girls only)
  - Softball
  - Baseball
  - Basketball (Girls and Boys)
  - Soccer (Girls and Boys)
  - Cheer
- Athletics/High School
  - Students Run Los Angeles ("SRLA")
  - Cross Country (Girls and Boys)
  - Tennis (Girls and Boys)
  - Volleyball (Girls and Boys)
  - Basketball (Girls and Boys)
  - Cheer
  - Soccer (Girls and Boys)
  - Baseball
  - Softball
  - Track and Field

*Standardized Testing.* For 2014-15, the CAASPP system assessments replaced the State Testing and Reporting ("STAR") program as the State testing program. In 2015-16 and 2016-17, the State administered the Smarter Balanced Summative Assessments in English language arts/literacy ("ELA") and mathematics in grades three through eight and eleven. Also, the State administered the California Alternate Assessments in ELA and mathematics to students with significant cognitive disabilities in grades three through eight and eleven (students whose Individualized Education Program designates the use of an alternate assessment).

Development of the California Next Generation Science Standards ("CA NGSS") Summative Assessments is currently in progress, which will replace the California Standards Test, California Modified Assessment, and the California Alternate Performance Assessment in science. In 2016-17, all students in fifth grade participated in a full census pilot test. The CA NGSS Alternate Summative Assessments are also currently being developed. Eligible students in fifth grade participated in the pilot test in 2016–17.

The 2016-17 student score reports for science include assessment information for students, parents/guardians, and teachers but do not produce individual scores for students. A participation rate will be calculated to include students tested in fifth grade. This approach provides universal exposure to innovative item types and provides assessment information to students, parents/guardians, and teachers.

While such data is presented for multiple school years, potential investors should be aware that such data may not be comparable from year-to-year due to the transition from STAR to CAASPP and in composition of CAASPP. In addition, the transition in State accountability systems from that developed under NCLB to that under development under ESSA may mean that the implications of certain performance levels achieved under STAR or various iterations of CAASPP will differ, making comparisons of aggregate data inapt.

Despite that fact, certain CAASPP performance data for the School, AVUSD, and the State is set forth in the following tables.

**Percentage of Students at or Above Standard**

**English Language Arts**

	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
<b>The School</b>	58%	61%	57%
<b>AVUSD</b>	42%	39%	40%
<b>The State</b>	49%	49%	50%

**Percentage of Students at or Above Standard**

**Mathematics**

	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
<b>The School</b>	36%	36%	38%
<b>AVUSD</b>	25%	24%	25%
<b>The State</b>	37%	38%	39%

**Percentage of Students Exceeded Standard**

**English Language Arts**

	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
<b>The School</b>	23%	25%	25%
<b>AVUSD</b>	13%	13%	13%
<b>The State</b>	20%	20%	21%

**Percentage of Students Exceeded Standard**

**Mathematics**

	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
<b>The School</b>	13%	12%	14%
<b>AVUSD</b>	8%	9%	9%
<b>The State</b>	17%	18%	19%

Accountability. The State has established Local Control Funding Formula ("LCFF") evaluation rubrics consisting of more than 20 data elements to be analyzed by local educational agencies ("LEAs") annually through their LCAPs. The emerging unified state and federal accountability system is composed of a concise set of indicators that comprise a selected subset of key indicators from the LCFF evaluation rubrics that will also satisfy

the Every Student Succeeds Act ("ESSA") requirements. The accountability system is described in the California State Plan, which is posted here: <https://www.cde.ca.gov/re/es/>. The proposed California State Plan was submitted to the U.S. Department of Education on September 15, 2017, and approved by the U.S. Secretary of Education on July 12, 2018. The California State Plan was implemented during the 2018-19 school year.

Beginning with the 2017-18 school year, LEAs met State and federal planning requirements through the LCAP and the Consolidated Application Reporting System. LEAs that previously addressed areas of improvement through a revised LEA Plan based on Adequate Yearly Progress reports were expected to address areas for improvement to be implemented in the 2017-18 school year using the LCAP.

*Integrated Accountability and Continuous Improvement System.* On September 8, 2016, the SBE approved key elements of a new integrated accountability and continuous improvement system that will evaluate LEAs and school performance in areas critical to students' preparedness for college and career. These areas are founded on the LCFF 10 State priorities and include graduation rates, suspension rates, college/career preparedness, assessment scores, and the progress of English Language Learners ("ELLs").

With the implementation of the LCFF in 2014, LEAs are held accountable for improving student performance. Specifically, state law requires eight of the 10 priority areas that traditional school districts and charter schools must report in their LCAP. These priority areas range from student achievement (performance on standardized tests and percent of ELLs that become English proficient); school climate (suspension rates); and student engagement (graduation rates, chronic absenteeism rates, dropout rates, etc.). Rather than developing two accountability systems—one that meets LCFF requirements and another that meets ESSA requirements—a new integrated local, State, and federal accountability and continuous improvement system founded on the LCFF priority areas and aligned to ESSA requirements has been developed.

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This new system, based on multiple measures, will use the California School Dashboard (the "Dashboard"), which includes State and local performance standards for all LCFF priorities, to report progress. These performance standards will be used to support LEAs in identifying strengths, weaknesses, and areas for improvement; to assist in determining whether LEAs are eligible for assistance; and to assist the State Superintendent of Public Instruction in determining whether LEAs are eligible for more intensive state support/intervention.

Priority Areas	State Indicator(s)	Local Indicators
Priority 1: Basic Services or Basic Condition at Schools	N/A	Textbooks availability, adequate facilities, and correctly assigned teachers
Priority 2: Implementation of State Academic Standards	N/A	Annual report on progress in implementing the standards for all content areas
Priority 3: Parent Engagement	N/A	Annual report on progress toward: (1) seeking input from parents/guardians in decision-making and (2) promoting parental participation in programs
Priority 4: Student Achievement	Academic Indicator (grades 3-8); English Learner Progress Indicator	Grade 11 distance from Level 3 report
Priority 5: Student Engagement	Graduation Rate Indicator; Chronic Absenteeism Indicator (available fall 2018)	N/A
Priority 6: School Climate	Suspension rate indicator	Administer a Local Climate Survey every other year
Priority 7: Access to a Broad Course of Study	College/career indicator (available fall 2017)	N/A
Priority 8: Outcomes in a Broad Course of Study	College/career indicator (available fall 2017)	N/A
Priority 9: (COEs only) Coordination of Services for Expelled Students	N/A	Annual survey that measures progress in coordinating instruction for expelled students
Priority 10: (COEs only) Coordination of Services for Foster Youth	N/A	Annual survey that measures progress in coordinating services for foster youth

Local indicators are not included in school-level Dashboards.

*The California Model.* The State Board of Education ("SBE") approved measuring performance for State indicators through a combination of current performance ("Status") and improvement over time ("Change"). Both Status and Change provide equal weight. The approved cut scores for Status and Change serve as the performance standards for the State indicators and are reported as performance levels (or colors) as described below. The adopted methodology is called the "California Model." The performance standards are based on the current distribution of Status and Change for each indicator, much like grading on a curve. Therefore, the performance standards vary by indicator and will generally remain fixed, until the SBE updates the standards.

For an LEA, school, or student group to receive a performance level (or color), they must have at least two years of data. The most current year of data are used to determine one of five Status levels for each state indicator: Very High, High, Medium, Low, and Very Low. The prior year data (or multi-year average) are used to determine one of five Change levels for each State indicator: Increased Significantly, Increased, Maintained, Declined, and Declined Significantly.

The table below describes the California Model and expands the table in the earlier section "Competitive Schools: Basic Information and Comparative Data" which shows limited demographic information and performance data about the School and the competitor schools that Management has identified, with performance levels for all students on the State indicators for Fall 2018.

Based on Status and Change levels for each indicator, one of five performance levels is assigned, in order

from highest to lowest: blue, green, yellow, orange, and red.

<b>School</b>	<b>Chronic Absenteeism (K-8)</b>	<b>Graduation Rate (9-12)</b>	<b>Suspension Rates (K-12)</b>	<b>English Language Arts (3-8)</b>	<b>Mathematics (3-8)</b>
The School	Yellow	Blue	Orange	Green	Yellow
Riverside Prep	Orange	Blue	Yellow	Orange	Orange
Endeavor School of Exploration	Green	N/A	Blue	Green	Green
Desert Knolls Elementary	Red	N/A	Green	Yellow	Yellow
Sitting Bull Academy	Yellow	N/A	Yellow	Green	Yellow
Excelsior Charter School	Green	Green	Blue	Orange	Orange
Apple Valley High School	Orange	Green	Orange	Orange	Yellow

**Demographics and Enrollment**

*General.* The School adheres to the desegregation mandates included in the court orders resolving *Crawford v. Board of Education, City of Los Angeles*.

*Student Body.* The following table shows the percentage of students enrolled at the School for each listed school year who were identified as being in a particular demographic group as reported by Management.

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>
<b>African American</b>	3.3%	3.4%	3.3%	3.0%
<b>American Indian or Alaska Native</b>	0.2%	0.3%	0.3%	0.3%
<b>Asian</b>	4.1%	4.3%	3.6%	3.7%
<b>Filipino</b>	3.0%	2.6%	2.2%	2.1%
<b>Hispanic or Latino</b>	31.3%	32.8%	36.2%	36.3%
<b>Pacific Islander</b>	0.3%	0.3%	0.2%	0.1%
<b>White</b>	50.1%	49.0%	46.5%	46.3%
<b>Two or More Races</b>	7.6%	7.4%	7.8%	8.2%
<b>Not Reported</b>	0.1%	0.0%	0.0%	0.0%
<b>English Learners</b>	2.3%	1.8%	2.0%	3.2%
<b>Free/Reduced Lunch Program</b>	29.6%	28.2%	35.8%	33.0%

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*Historical and Projected Enrollment.* The table below shows historical and projected enrollment at the School by grade level and for the listed school years. Enrollment counts for each year are as of the first Wednesday in October.

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
<b>TK</b>	-	24	23	25	25	25	25	25	
<b>K</b>	100	100	100	100	100	100	100	100	100
<b>1</b>	100	100	101	100	100	100	100	100	100
<b>2</b>	100	100	100	100	100	100	100	100	100
<b>3</b>	112	112	112	112	112	112	112	112	112
<b>4</b>	112	112	112	112	112	112	112	112	112
<b>5</b>	113	112	112	112	112	112	112	112	113
<b>6</b>	120	118	125	125	125	125	125	125	120
<b>7</b>	117	116	126	125	125	125	125	125	117
<b>8</b>	116	115	124	125	125	125	125	125	116
<b>9</b>	119	106	111	118	118	119	119	119	119
<b>10</b>	113	112	92	111	111	111	115	112	113
<b>11</b>	109	108	98	82	101	100	101	104	109
<b>12</b>	<u>76</u>	<u>111</u>	<u>96</u>	<u>89</u>	<u>76</u>	<u>92</u>	<u>92</u>	<u>93</u>	<u>76</u>
<b>Total</b>	<b>1,407</b>	<b>1,446</b>	<b>1,432</b>	<b>1,436</b>	<b>1,442</b>	<b>1,459</b>	<b>1,462</b>	<b>1,465</b>	<b>1,407</b>

*Admissions and Enrollment Policy; Waitlist.* It is the policy of the School to admit all students who wish to attend into its program, as space allows.

The School accepts applications throughout the year. Admission periods for a semester are determined by Management. When applications are received and processed, the following admission priorities are applied: (i) siblings of current students, space permitting by grade level, (ii) children of salaried-regular full time employees, space permitting by grade level, (iii) children of salaried-regular part time employees, subs and coaches (employed in the aforementioned position for a minimum of two consecutive school years), space permitting by grade level, (iv) students residing within the boundaries of AVUSD, space permitting by grade level, (v) all other students from San Bernardino County and contiguous counties, space permitting by grade level, and (vi) all other applicants.

Whenever the number of applicants in any of the priority groups exceeds the grade level capacity, such applicants are admitted by public lottery as required by State and federal law and lotteries are held in September, February and May.

Applicants are maintained on a waitlist until a vacancy becomes available. Applicants are considered according to the priorities described above only, and not by date of application except that applications must be completed by published deadlines for consideration during a lottery. If a vacancy occurs, the next in line on the waiting list will be contacted. If they accept, the student(s) will be enrolled immediately. If they do not, the student will be moved to the bottom of the waitlist. The waitlist is continually maintained, and is purged each spring

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The School's waitlist as of \_\_\_\_\_, 2019, is detailed below by grade level. The waitlist is in line with prior year waitlists.

	<u>2019-20</u>
<b>TK</b>	731
<b>K</b>	204
<b>1</b>	160
<b>2</b>	200
<b>3</b>	220
<b>4</b>	120
<b>5</b>	186
<b>6</b>	136
<b>7</b>	122
<b>8</b>	88
<b>9</b>	8
<b>10</b>	0
<b>11</b>	0
<b>12</b>	<u>2</u>
<b>Total</b>	<b>2,177</b>

*Student Retention Rates.* The following table shows student retention rates for the School for each listed school year, calculated by dividing the number of students re-enrolling at the School at the beginning of each listed school year by the number of students enrolled in grades TK/K-11 at the School as of the last day of the previous school year.

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Overall	91.6%	93.1%	92.0%	92.3%	

## LITIGATION

**[To be revised, if necessary, based on due diligence:** As of the date of the Official Statement, neither the Borrower nor the Lessee is the subject of any litigation or administrative proceeding related to its operations. Litigation may arise in the normal course of business of either the Borrower or the Lessee. See "RISK FACTORS – Litigation" for an explanation of risks associated with any potential litigation that may arise in the normal course of business for the Borrower or the Lessee.]

## CERTAIN FINANCIAL INFORMATION

### Audited Financial Statements

The audited financial statements of the Lessee for the Fiscal Years ended June 30, 2016, 2017, and 2018, included in this Official Statement in APPENDIX B-1 – "FINANCIAL STATEMENTS," have been audited by Nigro & Nigro PC, A Professional Accountancy Corporation (the "Auditor"), to the extent and for the period indicated in its report thereon. Such financial statements have been included in reliance upon the reports of the Auditor. The Lessee is not aware of any facts that would make such financial statements misleading. These financial statements were prepared using the standards applicable to nonprofit entities. The audited financial statements included in Appendix B-1 are an integral part hereof and should be read in their entirety.

The audited financial statements set forth in APPENDIX B-1 – "FINANCIAL STATEMENTS" reflect all

of the Lessee's operations. **The only revenues of the Lessee pledged to the repayment of the Series 2019 Bonds are those revenues of the Lessee derived from its operation of the School.** As such, potential investors in the Series 2019 Bonds should carefully review the "Supplementary Information" presented in the audited financial statements and, in particular, the financial statements showing the "Combined Charter Schools."

#### **Statement of Financial Position and Statement of Activities**

The following Statements of Financial Position summary for the Lessee present summaries of the Lessee's financial position as of June 30 of each listed Fiscal Year. The Statement of Activities summary for the Lessee present summaries of the Lessee's financial activities during the fiscal year, thereby reconciling the beginning and end of year net asset positions contained in the Statement of Financial Position summary. Such summary statements are based on the audited financial statements of the Lessee for the Fiscal Years ended June 30, 2016, 2017, and 2018, and on unaudited, Management-prepared financial statements of the Lessee for the Fiscal Year ended June 30, 2019. Such unaudited financial statements have been prepared by Management and have not been examined or reviewed by the Auditor or any other independent certified public accountant.

**The only revenues of the Lessee pledged to the repayment of the Series 2019 Bonds are those revenues of the Lessee derived from its operation of the School.**

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[Placeholder for June 30, 2019, statement of financial position.]

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**THE HIGH DESERT "PARTNERSHIP IN ACADEMIC EXCELLENCE" FOUNDATION, INC.**

Statement of Financial Position - Combined Charter Schools

June 30, 2018

	Academy for Academic Excellence	Norton Science and Language Academy	Lewis Center For Educational Research	Total
<b>ASSETS</b>				
Cash	\$1,850,175	\$2,595,096	(\$1,213,895)	\$3,231,376
Accounts receivable	2,998,215	2,344,078	(2,201,615)	3,140,678
Prepaid expenses			80,567	80,567
Unamortized debt issuance costs				
Capital assets:				
Non-depreciable assets			976,249	976,249
Depreciable assets			26,002,531	26,002,531
Accumulated depreciation			(8,202,075)	(8,202,075)
<b>Total Assets</b>	<b>\$4,848,390</b>	<b>\$4,939,174</b>	<b>\$15,441,762</b>	<b>\$25,229,326</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Liabilities</b>				
Accounts payable	\$124,288	\$184,311	\$ -	\$308,599
Accrued payroll and payroll expenses	756,172	517,749	-	1,273,921
Unearned revenues	-	-	53,149	53,149
Due to student groups	-	-	31,019	31,019
Long term liabilities:				
Portion due within one year	-	-	748,000	748,000
Portion due after one year	-	-	5,700,722	5,700,722
<b>Total liabilities</b>	<b>880,460</b>	<b>702,060</b>	<b>6,532,890</b>	<b>8,115,410</b>
<b>Net assets</b>				
Unrestricted	3,967,930	4,237,114	8,294,737	16,499,781
Temporarily restricted	-	-	538,714	538,714
Permanently restricted	-	-	75,421	75,421
<b>Total net assets</b>	<b>3,967,930</b>	<b>4,237,114</b>	<b>8,908,872</b>	<b>17,113,916</b>
<b>Total Liabilities and Net Assets</b>	<b>\$4,848,390</b>	<b>\$4,939,174</b>	<b>\$15,441,762</b>	<b>\$25,229,326</b>

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**THE HIGH DESERT "PARTNERSHIP IN ACADEMIC EXCELLENCE" FOUNDATION, INC.**

*Statement of Financial Position - Combined Charter Schools*

*June 30, 2017*

	Academy for Academic Excellence	Norton Science and Language Academy	Lewis Center For Educational Research	Total
<b>ASSETS</b>				
Cash	\$93,559	\$1,051,507	\$1,872,144	\$3,017,210
Accounts receivable	1,302,007	901,610	6,686	2,210,303
Laptop leases receivable	-	-	105,340	105,340
Less: allowance for uncollectible leases	-	-	(10,534)	(10,534)
Prepaid expenses	-	-	104,876	104,876
Unamortized debt issuance costs	-	-	410,494	410,494
Capital assets:				
Non-depreciable assets	-	-	903,290	903,290
Depreciable assets	-	-	26,145,620	26,145,620
Accumulated depreciation	-	-	(7,664,446)	(7,664,446)
<b>Total Assets</b>	<b>\$1,395,566</b>	<b>\$1,953,117</b>	<b>\$21,873,470</b>	<b>\$25,222,153</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Liabilities</b>				
Accounts payable	\$132,453	\$185,431	\$209,242	\$527,126
Accrued payroll and payroll expenses	574,719	306,643	12,040	893,402
Unearned revenues	-	-	119,929	119,929
Due to student groups	-	-	23,451	23,451
Long term liabilities:				
Portion due within one year	-	-	815,154	815,154
Portion due after one year	-	-	7,018,812	7,018,812
Total liabilities	707,172	492,074	8,198,628	9,397,874
<b>Net assets</b>				
Unrestricted	688,394	1,461,043	12,998,283	15,147,720
Temporarily restricted	-	-	600,677	600,677
Permanently restricted	-	-	75,882	75,882
Total net assets	688,394	1,461,043	13,674,842	15,824,279
<b>Total Liabilities and Net Assets</b>	<b>\$1,395,566</b>	<b>\$1,953,117</b>	<b>\$21,873,470</b>	<b>\$25,222,153</b>

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**THE HIGH DESERT "PARTNERSHIP IN ACADEMIC EXCELLENCE" FOUNDATION, INC.**

Statement of Financial Position - Combined Charter Schools

June 30, 2016

	Academy for Academic Excellence	Norton Space and Aeronautics Academy	Lewis Center For Educational Research	Total
<b>ASSETS</b>				
Cash	\$165,928	\$662,787	\$1,539,998	\$2,368,713
Accounts receivable	-	-	2,545,826	2,545,826
Laptop leases receivable	-	-	361,894	361,894
Less: allowance for uncollectible leases	-	-	(36,189)	(36,189)
Prepaid expenses	-	-	112,324	112,324
Unamortized debt issuance costs	-	-	426,719	426,719
Capital assets:				-
Non-depreciable assets	-	-	883,447	883,447
Depreciable assets	-	-	26,117,358	26,117,358
Accumulated depreciation	-	-	(7,276,793)	(7,276,793)
<b>Total Assets</b>	<b>\$165,928</b>	<b>\$662,787</b>	<b>\$24,674,584</b>	<b>\$25,503,299</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>Liabilities</b>				
Accounts payable	\$151,839	\$112,055	\$737,100	\$1,000,994
Accrued payroll and payroll expenses	-	-	722,445	722,445
Unearned revenues	-	-	189,655	189,655
Due to student groups	-	-	25,698	25,698
Long term liabilities:				-
Portion due within one year	-	-	949,315	949,315
Portion due after one year	-	-	8,052,206	8,052,206
<b>Total liabilities</b>	<b>151,839</b>	<b>112,055</b>	<b>10,676,419</b>	<b>10,940,313</b>
<b>Net assets</b>				
Unrestricted	14,089	550,732	13,197,642	13,762,463
Temporarily restricted	-	-	724,731	724,731
Permanently restricted	-	-	75,792	75,792
<b>Total net assets</b>	<b>14,089</b>	<b>550,732</b>	<b>13,998,165</b>	<b>14,562,986</b>
<b>Total Liabilities and Net Assets</b>	<b>\$165,928</b>	<b>\$662,787</b>	<b>\$24,674,584</b>	<b>\$25,503,299</b>

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[Placeholder for fiscal year ending June 30, 2019, statement of activities.]

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**THE HIGH DESERT "PARTNERSHIP IN ACADEMIC EXCELLENCE" FOUNDATION, INC.**

Statement of Activities - Combined Charter Schools

For the Fiscal Year Ended June 30, 2018

<b>REVENUES, GAINS, AND OTHER SUPPORT</b>	Academy for Academic Excellence	Norton Science and Language Academy	Lewis Center For Educational Research	Total
Federal revenues	\$335,023	\$666,658	\$69,011	\$1,070,692
LCFF revenues	11,325,579	7,123,831	-	18,449,410
State Special Education	670,015	265,869	-	935,884
Lottery	322,303	177,629	-	499,932
STRS on behalf payment	468,669	225,393	-	694,062
Other state revenues	335,003	325,375	-	660,378
Donations	66,509	6,228	41,968	114,705
Student activities	123,771	27,678	-	151,449
Class fees	5,315	117,394	-	122,709
Food services	58,257	9,097	-	67,354
Other local revenues	196,167	94,279	148,156	438,602
Interest earned	4,161	-	689	4,850
Transfers	820,500	648,196	(1,468,696)	-
<b>Total Revenues, Gains, and Other Support</b>	<b>14,731,272</b>	<b>9,687,627</b>	<b>(1,208,872)</b>	<b>23,210,027</b>
<b>EXPENSES</b>				
Certificated Salaries	5,368,586	3,059,166	432,103	8,859,855
Classified Salaries	1,120,892	890,085	1,196,061	3,207,038
Benefits	2,921,955	1,704,426	612,073	5,238,454
Books and Supplies	665,694	527,483	136,879	1,330,056
Services, Other Operating Expenses	1,164,101	730,396	584,169	2,478,666
Debt Service	210,508	-	18,029	228,537
Depreciation and Amortization	-	-	747,127	747,127
<b>Total Expenses</b>	<b>11,451,736</b>	<b>6,911,556</b>	<b>3,726,441</b>	<b>22,089,733</b>
Change in net assets from operations	3,279,536	2,776,071	(4,935,313)	1,120,294
Unrealized gain (loss) on interest rate swap	-	-	169,343	169,343
Change in net assets	3,279,536	2,776,071	(4,765,970)	1,289,637
Net Assets, July 1, 2017	688,394	1,461,043	13,674,842	15,824,279
Net Assets, June 30, 2018	\$3,967,930	\$4,237,114	\$8,908,872	\$17,113,916

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**THE HIGH DESERT "PARTNERSHIP IN ACADEMIC EXCELLENCE" FOUNDATION, INC.**

Statement of Activities - Combined Charter Schools

For the Fiscal Year Ended June 30, 2017

<b>REVENUES, GAINS, AND OTHER SUPPORT</b>	Academy for Academic Excellence	Norton Science and Language Academy	Lewis Center For Educational Research	Total
Federal revenues	\$258,342	\$673,767	\$69,432	\$1,001,541
LCFF revenues	11,222,635	6,836,186	-	18,058,821
State Special Education	697,988	425,058	-	1,123,046
Lottery	286,608	164,713	-	451,321
STRS on behalf payment	399,129	168,490	-	567,619
Other state revenues	441,359	289,925	-	731,284
Donations	27,541	4,482	41,489	73,512
Student activities	159,619	25,595	508	185,722
Other local revenues	455,428	126,023	208,672	790,123
Interest earned	-	-	1,223	1,223
Transfers	(1,848,994)	(1,172,312)	3,021,306	-
<b>Total Revenues, Gains, and Other Support</b>	<b>12,099,655</b>	<b>7,541,927</b>	<b>3,342,630</b>	<b>22,984,212</b>
<b>EXPENSES</b>				
Certificated Salaries	5,457,447	2,941,333	393,659	8,792,439
Classified Salaries	1,347,687	900,416	1,415,417	3,663,520
Benefits	2,479,651	1,277,268	673,029	4,429,948
Books and Supplies	680,958	610,817	135,946	1,427,721
Services, Other Operating Expenses	1,249,544	891,253	574,074	2,714,871
Capital Outlay	15,104	10,529	2,071	27,704
Debt Service	194,959	-	74,816	269,775
Depreciation and Amortization	-	-	734,192	734,192
<b>Total Expenses</b>	<b>11,425,350</b>	<b>6,631,616</b>	<b>4,003,204</b>	<b>22,060,170</b>
Change in net assets from operations	674,305	910,311	(660,574)	924,042
Unrealized gain (loss) on interest rate swap	-	-	337,251	337,251
Change in net assets	674,305	910,311	(323,323)	1,261,293
Net Assets, July 1, 2016	14,089	550,732	13,998,165	14,562,986
Net Assets, June 30, 2017	\$688,394	\$1,461,043	\$13,674,842	\$15,824,279

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**THE HIGH DESERT "PARTNERSHIP IN ACADEMIC EXCELLENCE" FOUNDATION, INC.**

Statement of Activities - Combined Charter Schools

For the Fiscal Year Ended June 30, 2016

	Academy for Academic Excellence	Norton Space and Aeronautics Academy	Lewis Center For Educational Research	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>				
Federal revenues	\$281,728	\$654,348	\$ -	\$936,076
LCFF revenues	10,441,548	6,021,776	-	16,463,324
State Special Education	743,826	408,935	-	1,152,761
Lottery	281,450	138,979	-	420,429
STRS on behalf	332,523	126,311	-	458,834
Other state revenues	1,024,730	787,814	76,254	1,888,798
Donations	49,387	16,968	73,989	140,344
Student activities	198,503	80	-	198,583
Other local revenues	270,399	61,340	413,999	745,738
Interest earned	-	-	27,687	27,687
Transfers	(865,516)	(850,000)	1,715,516	-
<b>Total Revenues, Gains, and Other Support</b>	<b>12,758,578</b>	<b>7,366,551</b>	<b>2,307,445</b>	<b>22,432,574</b>
<b>EXPENSES</b>				
Certificated Salaries	5,231,192	2,713,325	132,738	8,077,255
Classified Salaries	2,024,969	1,295,683	71,318	3,391,970
Benefits	2,480,899	1,282,680	178,068	3,941,647
Books and Supplies	1,109,401	878,553	127,800	2,115,754
Services, Other Operating Expenses	1,542,999	1,089,774	230,702	2,863,475
Debt Service	369,118	3,209	99,058	471,385
Depreciation and Amortization	-	-	699,698	699,698
<b>Total Expenses</b>	<b>12,758,578</b>	<b>7,263,224</b>	<b>1,539,382</b>	<b>21,561,184</b>
Change in Net Assets from Operations	-	103,327	768,063	871,390
Unrealized gain (loss) on interest rate swap	-	-	(360,187)	(360,187)
Change in Net Assets	-	103,327	407,876	511,203
Net Assets, July 1, 2015	14,089	447,405	13,590,289	14,051,783
Net Assets, June 30, 2016	\$14,089	\$550,732	\$13,998,165	\$14,562,986

[Remainder of page intentionally left blank]

## Debt

Upon the issuance of the Series 2019 Bonds, in addition to the Series 2019 Bonds, the Lessee will have outstanding the following Indebtedness, within the meaning of the Indenture, the Loan Agreement, and the Lease: a \$2,000,000 unsecured line of credit from MUFG Union Bank, N.A., which bears interest at a variable rate and which matures on \_\_\_\_\_. As of October \_\_, 2019, \$\_\_\_\_\_ is outstanding on the line of credit.

In addition, on the Closing Date, the Lessee will have outstanding the following indebtedness, which does not constitute Indebtedness within the meaning of the Indenture, the Loan Agreement, and the Lease: \_\_\_\_\_.

Further, Management expects that on or about \_\_\_\_\_, the Authority will issue \$[AAA]\* in aggregate principal amount of its Charter School Revenue Bonds (Norton Science and Language Academy Project) Tax-Exempt Series 2019A and \$[BBB]\* in aggregate principal amount of its Charter School Revenue Bonds (Norton Science and Language Academy Project) Taxable Series 2019B (together, the "NSLA Bonds") for the following purposes: \_\_\_\_\_.

**[Placeholder for description of conditions to issuance of NSLA Bonds, if any.]**

**The revenues of the Lessee derived from its operation of the School will not be pledged to the repayment of the NSLA Bonds and the facilities from which the Lessee operates the School will not be pledged to secure the NSLA Bonds.**

**Correspondingly, the revenues of the Lessee derived from its operation of NSLA are not pledged to the repayment of the Series 2019 Bonds and the facilities from which the Lessee operates NSLA are not pledged to secure the Series 2019 Bonds.**

The Lessee is permitted to incur additional Indebtedness within the meaning of the Indenture, the Loan Agreement, and the Lease under certain circumstances. In addition, the Lessee is permitted to incur additional indebtedness that does not constitute Indebtedness within the meaning of the Indenture, the Loan Agreement, and the Lease under certain circumstances. See "RISK FACTORS – Additional Indebtedness" and APPENDIX D – "DEFINITIONS AND SUMMARY OF CERTAIN DOCUMENTS – SUMMARY OF CERTAIN PROVISIONS OF THE LEASE AGREEMENT – Limitations on Incurrence of Additional Indebtedness."

## Financial Projections

The financial projections of the Lessee with respect to the School for the Fiscal Years ending June 30, 2020 through 2024 set forth in APPENDIX B-2 – "FINANCIAL PROJECTIONS" (the "Projections") were prepared by Management in consultation with Urban Futures Incorporated (the "Financial Advisor"), and have not been independently verified by any other party. Such financial projections constitute "forward-looking" statements of the type described in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. See "INTRODUCTION – Caution Regarding Forward-Looking Statements" above. Although Management believes that the assumptions upon which these financial projections are based are reasonable, any of the assumptions could prove to be inaccurate and, as a result, the forward-looking statements based on those assumptions could also be incorrect. All phases of the operations of the School involve risks and uncertainties, many of which are outside of the Lessee's control and any one of which, or a combination of which, could materially affect the Lessee's results with respect to the School's operations.

Factors that could cause actual results to differ from those expected include, but are not limited to, general economic conditions; the willingness of the State to fund public schools including charter schools at present or increased levels; competitive conditions within the School's service area; lower-than-projected enrollment; unanticipated expenses; changes in government regulation including changes in the law governing charter schools in the State; future claims for accidents against the Lessee and the extent of insurance coverage for such claims; and other risks discussed in this Official Statement. See "RISK FACTORS."

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\* Preliminary, subject to change

No feasibility studies have been conducted with respect to operations of the Lessee pertinent to the Series 2019 Bonds. The Underwriters have not independently verified the Projections, and make no representations nor give any assurances that such Projections, or the assumptions underlying them, are complete or correct. Further, the Projections relate only to a limited number of fiscal years, and consequently do not cover the entire period that the Series 2019 Bonds will be outstanding.

NO REPRESENTATION OR ASSURANCE CAN BE GIVEN THAT THE LESSEE WILL REALIZE REVENUES IN AMOUNTS SUFFICIENT TO MAKE ALL REQUIRED DEBT SERVICE PAYMENTS ON THE SERIES 2019 BONDS. THE REALIZATION OF FUTURE REVENUES DEPENDS ON, AMONG OTHER THINGS, THE MATTERS DESCRIBED IN "RISK FACTORS," AND FUTURE CHANGES IN ECONOMIC AND OTHER CONDITIONS THAT ARE UNPREDICTABLE AND CANNOT BE DETERMINED AT THIS TIME.

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## **DUE DILIGENCE REQUEST AND QUESTIONNAIRE**

### **LEWIS CENTER FOR EDUCATIONAL RESEARCH (the "Charter Holder")**

All references herein to a "School" shall mean each of Academy for Academic Excellence and Norton Science and Language Academy, the charter schools operated by the Charter Holder (together, the "Schools").

All references to the "AAE Project" shall mean the land and buildings to be acquired, constructed, renovated, or equipped with proceeds of the applicable proposed bond issue and all references to the "Norton Project" shall mean the land and buildings to be acquired, constructed, renovated, or equipped with proceeds of the applicable proposed bond issue (together, the "Projects").

All references herein to "LLC" in Section I below refer to the limited liability company or companies, which will lease all or a portion of the Projects to the Charter Holder.

**To the extent that any questions or requests are inapplicable or only partially applicable, please provide all applicable information and indicate which portions of the question or request are inapplicable.**

#### **I. Charter Holder and LLC Corporate Documents**

- A. A current organizational chart showing the Charter Holder, the LLC, and all affiliates and related entities.
- B. Articles of Incorporation and By-laws of the Charter Holder and Articles of Organization and Operating Agreement of the LLC and any amendments (if applicable).
- C. Certificate of good standing for the Charter Holder and the LLC to be dated within 30 days of closing.
- D. Conflict of interest policy for the Charter Holder and the LLC and any conflict of interest reports filed in the past three years.
- E. Any agreements between the Charter Holder and/or the LLC and their respective directors, officers or members.
- F. Fund-raising material and a description of any fund-raising efforts with respect to either Project.
- G. Any agreements relating to joint ventures between the Charter Holder and/or the LLC and any other entity which involves sharing of revenues, joint budgeting or other common business planning on a corporate level.



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- H. The Charter Holder's and the LLC's investment policies.
- I. Existing policies instituted by management.
- J. Copies of most recent annual corporate reports, if any, filed with the Secretary of State.
- K. List of directors and officers of the Charter Holder and the LLC showing their terms of office, occupations and biographical information.
- L. Names, titles, job descriptions and resumes of key officers and administrative personnel of the Charter Holder, the School, and the LLC.
- M. Resolutions of the Board of Directors of the Charter Holder and the LLC in connection with the Projects or the with proposed bond issues (the "Bonds"), including any declarations of intent and/or reimbursement resolutions.

**II. Tax Documents**

- A. A completed copy of, and all responsive materials provided in response to, a due diligence request or questionnaire of bond counsel, if any.
- B. Any Internal Revenue Service ("IRS") determination letters relating to the status of the Charter Holder as an exempt organization under 501(c)(3) of the Internal Revenue Code (the "Code") and as a non-private foundation under Section 509(a) of the Code.
- C. IRS Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Code for the Charter Holder.
- D. The last three Form 990s and 990-Ts filed by the Charter Holder with the IRS.
- E. Any private letter rulings, audit results, notice of audit, or other formal communications between the Charter Holder and the IRS since July 1, 2015.
- F. Evidence of exemption of the Charter Holder's and LLC's property from state or local property taxes, if applicable, and income from state income taxes.
- G. Any post-issuance compliance policies and procedures in place with respect to the issuance of tax-exempt bonds.

**III. Financial Information**

- A. Audited Financial Statements for the Charter Holder together with Auditor's Management Letters and Representation Letters, if any, for the Charter Holder for the fiscal years ending June 30, 2016-2018 (and 2019, when available).
- B. Any unaudited financial statements prepared since the last audit through June 30, 2019, and through each subsequent month-end when available.

- C. Letter from auditors regarding other engagements.
- D. Copies of any existing or prior continuing disclosure agreements or undertakings executed as required by SEC Rule 15c2-12, together with evidence of filing of all required disclosures with the SEC's Electronic Municipal Market Access ("EMMA") system since December 1, 2014, if any. Any correspondence with the SEC in connection with its Municipalities Continuing Disclosure Cooperation Initiative.
- E. Notes, loan agreements, guarantees, mortgages, and other security documents with respect to all outstanding indebtedness of the Charter Holder (including the Tetra loan and the 2012 bonds and any other indebtedness to be refinanced with proceeds of the Bonds), including agreements establishing lines of credit, if any.
- I. All leases to which the Charter Holder is a party, including real property and equipment leases (\$10,000 minimum).
- K. List of any prior obligations on which the Charter Holder has defaulted (payment or other default).
- K. UCC, tax lien, judgment lien, bankruptcy, and litigation searches on the Charter Holder, the LLC, each School, and any affiliate.
- L. Budget for the fiscal years ended June 30, 2019 and June 30, 2020.
- M. Any long-term cash flow or financial projections for 2020 to 2024, including descriptions of underlying assumptions, for each School.<sup>1</sup>
- N. Copy of any financial feasibility study with respect to the financing.
- O. List of expenditures for which the Charter Holder or the LLC expects reimbursement from proceeds of the Bonds.

#### IV. **Litigation**

- A. Letters of legal counsel to auditors regarding litigation and claims for the most recent fiscal year and any subsequent periods.
- B. Schedule showing all litigation or governmental proceedings or threatened litigation or governmental proceedings involving the Charter Holder, each School, the LLC, or their properties.
- C. A description of any litigation or administrative action settled in the past three years.

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<sup>1</sup> If an auditor, financial advisor, consultant, management company or other third party prepares or assists in the preparation of the projections or forecast, please provide a contact name, phone number, and email address.

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- D. Any administrative orders, notices of violation, notice of civil administrative penalty assessments, administrative consent orders, or similar matters from any state or federal governmental authority relating to the Charter Holder, each School, or the LLC.
- E. Schedule and summary of labor disputes, request for arbitration, grievance proceedings, etc.
- F. List of any of the foregoing for which insurance coverage is not in place or for which such coverage has been disclaimed.

V. **Operational Documents**

- A. Mission and vision statements of the Charter Holder and each School.
- B. Brief history of the Charter Holder, the LLC, each School, and their facilities.
- C. Certificates of insurance for automobile, business interruption, property, worker's compensation, and general public insurance for the Charter Holder, each School, or the LLC, and any agreements with respect to self-insurance including self-insurance trusts.
- D. Any comprehensive short or long range strategic and/or development plans, if any, for the Charter Holder and its affiliates or each School, including any new schools or campuses, and a narrative description of any short or long range development plans.
- E. All development, management or consulting agreements (including proposed form of any management contract), including any new schools or campuses.
- F. Marketing and sales brochures and materials.
- G. Four years **historical** (2015-16 through 2018-19) data, for each School individually, on:
  - i. student enrollment (overall and by grade),
  - ii. waiting list (overall and by grade),
  - iii. student retention (overall and by grade)
  - iv. attendance rate,
  - v. student demographic information, including at least percentage of students eligible for free/reduced price lunch program,
  - vi. historical per student reimbursement, and
  - vii. teacher retention.

As of September 30, 2019

- H. Five years **projected** (2019-20 through 2023-24) data, for each School individually, on:
  - i. student enrollment (overall and by grade) and
  - ii. number of teachers (including full-time vs. part-time), teacher aides, support staff, and administrative staff.
- I. Three years of academic performance data, for each School individually, including:
  - i. progress reports or report cards indicating AYP or other objective measurements for such School and
  - ii. academic achievement metrics (e.g., AYP) and general school performance information, together with comparison data for the state, the local public school district, and competitors.
- J. Current (2019-20) data on teacher education and licensing statistics, including percentage of teachers holding associate's, bachelor's, master's, and doctorate degrees and percentage of teachers licensed for each School individually.
- K. All pension and profit-sharing plan agreements and supporting documents.
- L. All operating or other agreements with affiliated corporations or organizations, if any, not already covered by V.E.
- M. Documentation respecting any major federal, state and private grants.
- N. All management or service agreements, not already covered by V.E.
- O. All collective bargaining agreements and union contracts.
- P. Merger documents, if applicable.
- Q. Description of any business the Charter Holder is engaged in not directly related to the provision of educational services.
- R. If the Charter Holder provides scholarships, on separate sheets of paper please describe the nature and amount of each type of scholarship awarded, including the terms and conditions governing its use, whether the award is a gift or a loan, and how the availability of the scholarship is publicized. Please describe the bases upon which the Charter Holder awards scholarships and the manner in which use of the scholarship awards is supervised (e.g., obtaining reports or transcripts). Please attach a sample scholarship application if available.
- S. Salary range for full-time teachers, along with comparison data for the state, local public school district, and competitors.

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- T. Form of standard teacher contract.
- U. Copies of employment contracts with principal(s) and/or head(s) of school.
- V. Curriculum information.
- W. Admission, lottery, and waitlist policies.
- X. Full list of all extracurricular and auxiliary programs offered.
- Y. Any licenses or other governmental approvals necessary to operate an educational institution.
- Z. Evidence of accreditation by any relevant accreditation organization, together with all correspondence with said accreditation organization during the last three years.
- AA. Full list of competitors, for each School individually, including traditional public, charter, and private schools. If none, explain why.
- BB. Characteristics that set each School apart from other schools, along with a list of all accolades and notable achievement from the current and previous five years.
- CC. Full copies of any consultant reports prepared for each School within the past three years.

**VI. Charter, Licenses and Permits**

- A. Current charter petitions and any related documentation with/from, including maximum allowable headcount per grade, if applicable.
- B. Current state and local licenses to operate each School's facilities.
- C. Planning and zoning approvals concerning the Projects.
- D. Documentation regarding any dispute of the Charter Holder with any governmental agencies regarding reimbursement, taxes, land use, rates, provider status or environmental issues.

**VII. Real Estate**

- A. List of all current and planned locations by street address.
- B. ALTA Survey for any property to be mortgaged to secure the Bonds.<sup>2</sup>

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<sup>2</sup> ALTA Survey should show access to public roads and these Table A requirements met: 1, 2, 3, 4, 6, 7 (unnecessary for undeveloped sites), 8, 9, 11, 16, 17, 18, and 19.

- C. Evidence of the state of title to the real estate comprising the mortgaged property (e.g., title policies, title commitments),<sup>3</sup> together with easements or right-of-ways required for the operation of the Projects.
- D. Environmental reports or surveys with respect to the real estate to be mortgaged to secure the Bonds, including Phase I Environmental Site Assessment(s) ("Phase I(s)") dated not more than 180 days prior to the closing date, with written consultant consent in the form attached hereto as **Exhibit A** for the Underwriters to summarize the Phase I(s) in the offering document and for the bond trustee and the Underwriters to rely on the Phase I(s)<sup>4</sup>, together with any notification of alleged environmental violations, whether alleged in the Phase I(s) or separately.
- E. Appraisal(s) of the real estate and improvements to any property to be mortgaged to secure the Bonds, with written consultant consent in the form attached hereto as **Exhibit A** for the Underwriters to summarize the appraisal(s) in the offering document and for the bond trustee and the Underwriters to rely on the appraisal(s).
- F. Evidence of flood insurance or evidence that none of the applicable Project is located in a flood plain.
- G. Contracts for the sale, purchase, or lease (as lessor or lessee) of any real estate comprising the Projects.
- H. High resolution photos of land/buildings to be financed or refinanced with proceeds of the Bonds.

#### VIII. Construction

- A. Description of each Project, including land and site development and structures, with detailed descriptions of numbers of stories, square footage, classrooms, and special features (labs, auditorium, gymnasium, etc.).
- B. A copy of any construction contracts, including all exhibits and any subcontracts, with, for the AAE Project, provisions for (i) a guaranteed maximum price and (ii) payment and performance bonds.
- C. Architect agreement, if any.
- D. Construction schedule, including timeline for any permits not yet held for each Project individually.

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<sup>3</sup> Title commitment should, at minimum, identify no objectionable items (i.e., unreleased mortgages, UCCs, or other liens), include agreement to remove all preprinted exceptions, and confirm these endorsements: 9, 17, 18, 25, and zoning (where available). Additional endorsements are required if the property consists of multiple parcels, the loan is variable rate, or disbursement is to be made over time; if any necessary rights are via easement (such as access) this must be shown on the survey and insured.

<sup>4</sup> Phase I(s) should meet current ASTM standards, show no vapor intrusion, address wetlands (for new construction only), and address asbestos, lead paint, and lead-in-water.

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- E. Project budget (sources and uses) for each Project individually.
- F. Approved plans and specifications, including timeline for any approvals not yet received.
- G. Planning and building permits, if any, including timeline for any permits not yet held.
- H. Description of the contractor including corporate name; year established in business; state and year of incorporation; bonding limits, sample listing of recent projects completed or in progress showing name of client, type of facility, location and cost of construction; sample listing of educational projects showing same detailed information; and name, title, email address and phone number for primary contact (check with contractor for "canned" language).
- I. Description of the architect including corporate name; year established in business; state and year of incorporation; sample listing of recent projects completed or in progress showing name of client, type of facility, location and cost of construction; sample listing of educational projects showing same detailed information; and name, title, email address and phone number for primary contact (check with architect for "canned" language).
- J. Description of the owner's representative, if any, including corporate name; year established in business; state and year of incorporation; sample listing of recent projects completed or in progress showing name of client, type of facility, location and cost of construction; sample listing of educational projects showing same detailed information; and name, title, email address and phone number for primary contact (check with owner's representative for "canned" language).
- K. Certificates of occupancy, if available.
- L. Renderings or schematic drawing.

**IX. Miscellaneous**

- A. Minutes of the meetings of the Board of Directors of the Charter Holder and any Committees from July 1, 2015, to present.
- B. Recent press releases announcing new services or future plans relating to the Charter Holder, each School, its facilities, or the Projects and local news articles relating to problems or perceived problems of the Charter Holder, any School, the Projects, or the service area.
- C. Website address, if any, of the Charter Holder and each School.

As of September 30, 2019

**In addition, please respond in writing to the following questions and provide and make available any documents necessary to complete or illustrate the answers. If the appropriate response to any question is "Not Applicable," please so indicate.**

Issues Related to Charter Holder:

1. Has the Charter Holder made substantial purchases from or sales to, or service agreements with, any person, firm or other entity owned or controlled by any of its employees, officers or members of its governing body or any affiliates? If yes, please give details.
2. Has the Charter Holder given any interest-free loans or advances, or made any loans or advances with interest rates below the prevailing market rate or does the Charter Holder or the sole member of the LLC plan to make such loans or advances, to employees, officers, or members or any affiliate or member of its governing board either as part of a compensation package or otherwise? If yes, please give details.
3. Are any funds of the Charter Holder used to pay any person's personal expenses? If yes, please give details. Has the Charter Holder acted as guarantor for any loans by banks (or other parties) to employees, officers or members of its governing body? If yes, please give details.
4. Are you aware of any facts or circumstances that could cause a revocation of the Code sections 501(c)(3) or 509(a) status of the Charter Holder or the sole member of the LLC? If yes, please provide details.
5. Are members of the Charter Holder's, the LLC's, or the sole member of the LLC's governing board compensated in any way?

Operations:

1. Is the Charter Holder or the LLC presently contemplating incurring debt of a substantial nature in addition to the Bonds in the foreseeable future?
2. Is the Charter Holder, the LLC, the sole member of the LLC, or any affiliate presently contemplating any reorganization of its corporate structure?
3. Does the Charter Holder or the sole member of the LLC pay property taxes (or fees in lieu thereof) with respect to any significant property?
4. At any time since December 1, 2014, has the Charter Holder or the LLC been required to file disclosures with EMMA pursuant to Rule 15c2-12? Have the Charter Holder and the LLC made all such disclosures in a timely manner?



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5. Is the Charter Holder aware that any competitor is currently planning (or currently exploring) a major expansion of service or the construction of a new facility?
6. Have there been any disputes with the auditors of the Charter Holder over the reporting or presentation of information in the financial statements of the Charter Holder? If yes, please describe the nature of the dispute and its resolution.

The answers to the enclosed questions and our review of the requested materials may result in follow-up questions or requests.

As of September 30, 2019

The undersigned, on behalf of the Charter Holder and the LLC, as applicable, hereby certify (i) that the materials uploaded to the ShareFile folder titled "BB&T / RBC – Lewis Center 2019" and the responses to the foregoing questionnaire constitute all materials responsive to this Due Diligence Request and Questionnaire and complete responses to such questions, (ii) that he or she is familiar with the Charter Holder, the LLC, the Schools, and the Projects, and (iii) that he or she is authorized by the Charter Holder or the LLC, as applicable, to provide such materials and responses with respect to the Charter Holder, the LLC, the Schools, and the Projects. The undersigned will advise the Underwriters and their counsel of any changes to such materials and responses and will respond to or answer any follow up requests or questions prior to the End of the Underwriting Period (as such term is defined in the drafts of the Bond Purchase Agreement that have been circulated to date).

LEWIS CENTER FOR EDUCATIONAL RESEARCH, as the Charter Holder

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[LLC], as the LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

As of September 30, 2019

**EXHIBIT A**

FORM OF CONSENT

\_\_\_\_\_, 2019

[LLC]

BB&T Capital Markets, a division of BB&T  
Securities, LLC  
Los Angeles, California

Lewis Center for Educational Research  
Apple Valley, California

RBC Capital Markets  
Los Angeles, California

Re: \_\_\_\_\_ (the "Bonds")

Ladies and Gentlemen:

\_\_\_\_\_ (the "Consultant") has delivered the " \_\_\_\_\_ " dated \_\_\_\_\_, 2019 (the "Report") to [LLC] (the "Borrower").

The Consultant has received and reviewed the Preliminary Limited Offering Memorandum with respect to the Bonds (the "PLOM"). The Consultant hereby consents to:

1. the use of the Report, all references to the Consultant, and all references to and descriptions and summaries of the Report (the "Disclosure") included in the PLOM and in the final Limited Offering Memorandum with respect to the referenced Bonds (the "LOM"), provided that the Disclosure in the LOM is the same as the Disclosure in the PLOM, in connection with the offer and sale of the Bonds; and

2. the delivery of copies of the Report by BB&T Capital Markets, a division of BB&T Securities, LLC, RBC Capital Markets, and the Borrower to any potential investor in the Bonds, or other interested party in connection with the offering and sale of the Bonds, that requests copies.

Each addressee hereof is hereby entitled to rely on the Report for all purposes as if the Report were prepared for and addressed to such addressee.

**[CONSULTANT]**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**Lewis Center for Educational Research**

**Board Packet Agenda Items**

Meeting Date: October 14, 2019

**Title:** Administration Board Policies

BP 2121 Administration President/CEO Employment Agreement – Revised

**Present as:** Discussion/Action items

**Background:** During closed session of the November 2018 LCER Board Meeting, the Board established a Task Force to review/revise LCER Board Policies pertaining to the CEO/Board, along with review/revise the CEO Evaluation Process and CEO Employment Agreement. The task force was comprised of LCER Board VP, Sharon Page, LCER Board Member, Dr. Pat Caldwell, along with CEO, Lisa Lamb and HR Director, Stacy Newman.

The revised and/or new policies are included in this packet. There are two copies of the policy: one with the changes tracked and the other a clean version with all changes accepted. Please review the policy to be discussed and potentially approved.

**Fiscal Implications** (if any): None

**Impact on Mission, Vision or Goals** (if any): Align with Board established Goals and Objectives

**Recommendation:** It is Task Force Committee's recommendation to approve the above Board policy

**Respectfully Submitted by:** Stacy Newman, Human Resources Director

**Lewis Center for Educational Research**

**BP 2121: ADMINISTRATION  
PRESIDENT/CEO EMPLOYMENT AGREEMENT**

**Adopted: September 5, 2002**

**Revised: June 8, 2015**

The ~~Foundation~~ Board of Directors ("Board") for the Lewis Center for Educational Research ("LCER") believes that the shall employ a President/Chief Executive Officer's ("CEO") Employment Agreement ("Agreement") shall outline the framework through which the Board and CEO are to work together to achieve LCER goals and objectives. for a period of two years by entering into a Fixed Term Employment Agreement ("Agreement") When approving the Agreement, the Board shall consider the need for stability in the organization and shall ensure the best use of LCER resources. The Agreement ~~will~~ shall be reviewed by the LCER's legal counsel and will define the statutory provisions relating to charter school employment, the employment relationship, duties and expectation terms and conditions of both the CEO and the Board -to include but not limited to:

1. Employment relationship between the Board and CEO
2. ~~Term of the Agreement~~ and work schedule
3. ~~Job description and duties~~
4. Salary in accordance with the LCER's Administrative/CEO salary schedule compensation and
5. Fringe benefits to include but not limited to technology, work related expenses, mileage, professional organizations/conferences/education, sick leave/holidays, health/retirement benefits
6. Criteria, process and procedure for annual evaluation of the CEO
7. Statement of child abuse and neglect reporting
8. Fingerprint / tuberculosis clearance
9. ~~duties, employment requirements, conflicts~~ Conflicts of interest/consulting/ proprietary information
10. Complaints or Charges Against the CEO: If a formal complaint "Complaint" is brought against the CEO for a violation of LCER Board Policies and Procedures, Employee Handbook, Charter Documents and Bylaws, or the CEO Employment Agreement and/or Job Description, as defined by law, the Board shall hear the Complaint in accordance with Government Code section 54957 and shall investigate in accordance with its Community Relations: Complaints Concerning LCER Personnel Board Policy and Administrative Regulation (BP 1312.1 and AR 1312.1) and Administration: President/CEO Employment Agreement (BP 2121). Complaints against the CEO should first be referred to the Board chair on behalf of the Board. If a complaint is to be heard

before the Board, the Board chair shall present the complaint to the Board in accordance with Government Code section 54957. If an investigation commences, the Board may place the CEO on paid administrative leave, pending the results of an investigation. If the Board decides an investigation is warranted, the Board may refer the investigation to a third party. When the investigation is complete, the results shall be presented to the Board. After receiving the results of the investigation, the Board shall decide in closed session what action, if any, is warranted.

Commented [SN1]: Added as a result of Sept 9 closed session.

11. Renewal/expiration of term

12. Termination provisions to include early termination without cause, termination with cause, death or incapacitation or revocation/non-renewal of charter if due to non-performance.

13. Requirement of CEO should he/she accept or be selected as a finalist for other employment

14. Other required provisions to include maximum limitations on cash settlement and required reimbursements. When the termination of the CEO's contract is based upon the Board's belief and subsequent confirmation through an independent audit that the CEO has engaged in fraud, misappropriation of funds, or other illegal fiscal practices, no cash or noncash settlement of any amount shall be provided.

Commented [SN2]: Updated as a result of the Sept 9, 2019 closed session

15. Savings clause

16. Amendments to the agreement

The Board may deliberate about terms of contract in closed session at a regular Board meeting. However, discussions regarding salary schedule or other compensation may occur in the closed session of a regular meeting ONLY between the Board and its designated representative(s), as permitted under Government Code 54957.6, for the purpose of reviewing the Board's position and/or instructing the designated representative(s) prior to or during bona fide negotiations with the current or prospective CEO. Such deliberations shall not be held during a special meeting.

The Board or its' designee may consult with LCER legal counsel prior to holding a closed session with the designated representative(s) to discuss compensation to be paid to the current or prospective CEO.

Terms of the Agreement shall remain confidential until the ratification process commences.

The Board shall take final action of the CEO's Agreement during an open session of a regularly scheduled Board meeting, and that action shall be reflected in the Board's minutes. At that meeting, prior to taking action, the Board shall orally report a summary of the recommendation for the final action the CEO's salary or compensation in the form of fringe benefits.

Copies of the Agreement and other public records created or received in the process of developing the recommendation related to the CEO's salary, benefits, and other compensation shall be available to the public upon request.



a third party. When the investigation is complete, the results shall be presented to the Board. After receiving the results of the investigation, the Board shall decide in closed session what action, if any, is warranted.

Commented [SN1]: Added as a result of Sept 9 closed session

11. Renewal/expiration of term
12. Termination provisions to include early termination without cause, termination with cause, death or incapacitation or revocation/non-renewal of charter if due to non-performance.
13. Requirement of CEO should he/she accept or be selected as a finalist for other employment
14. Other required provisions to include maximum limitations on cash settlement and required reimbursements. When the termination of the CEO's contract is based upon the Board's belief and subsequent confirmation through an independent audit that the CEO has engaged in fraud, misappropriation of funds, or other illegal fiscal practices, no cash or noncash settlement of any amount shall be provided.
15. Savings clause
16. Amendments to the agreement

Commented [SN2]: Updated as a result of the Sept 9, 2019 closed session

The Board may deliberate about terms of contract in closed session at a regular Board meeting. However, discussions regarding salary schedule or other compensation may occur in the closed session of a regular meeting ONLY between the Board and its designated representative(s), as permitted under Government Code 54957.6, for the purpose of reviewing the Board's position and/or instructing the designated representative(s) prior to or during bona fide negotiations with the current or prospective CEO. Such deliberations shall not be held during a special meeting.

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Copies of the Agreement and other public records created or received in the process of developing the recommendation related to the CEO's salary, benefits, and other compensation shall be available to the public upon request.



**Lewis Center for Educational Research  
STAFF REPORT**

Date: October 14, 2019  
 To: LCER Board of Directors  
 From: Lisa Lamb  
 Re: President/CEO Report

<b>Goal 1: Build the financial capacity of the LCER, including key provisions for sustainability.</b>	
<p>1.1 <u>Objective:</u> Each school will maintain a reserve balance of no less than 4% of the total operating budget. Reserves will be defined as unencumbered cash balance_</p>	<ul style="list-style-type: none"> <li>● We are continuing to build our cash reserves and searching for additional funding options for both schools. Currently we are meeting the 4% cash balance at both sites and anticipate to continue to support the goal as we strive to increase our financial stability going into the issuance of new Bond Debt for both campuses.</li> </ul>
<p>1.2 <u>Objective:</u> Support oversight and accountability of funds by LCER budget managers through monthly financial reports which include budget-to -actuals.</p>	<ul style="list-style-type: none"> <li>● Beginning in September, Finance began providing monthly reports to all managers with up to date expenditures, encumbrances and balances remaining by each category of their budget. This will assist the managers in making the most informed decisions when it comes to the needs at their level and the best use of their available funds.</li> </ul>
<p>1.3 <u>Objective:</u> Most restrictive dollars (i.e.: categorical funding, one-time monies, Special Education funding, grants, etc.) will be utilized first and according to funding requirements and as approved by School Site Council.</p>	<ul style="list-style-type: none"> <li>● The NSLA School Site Council has reviewed previous year data to make decisions about expenditures on programs that support improvement.</li> <li>● The AAE School Site Council approved to go school wide Title I to help support all students and ensure the ability to make expenditures support the academic improvement associated with categorical funding.</li> <li>● Administrative staff carefully monitor expenditures to ensure that categorical monies are utilized first and for the intended purposes.</li> </ul>
<p>1.4 <u>Objective:</u> The Foundation Board will raise funds to support the needs of LCER schools and programs.</p>	<ul style="list-style-type: none"> <li>● The Lewis Center Foundation and Victor Valley Chamber of Commerce partnered together for a regional golf tournament. The projected revenue for each organization is \$20,000-\$25,000. The support of our local communities, staff and board is greatly appreciated.</li> <li>● The Foundation Board supported STEM camp grants for two AAE students.</li> </ul>

	<ul style="list-style-type: none"> <li>• The Foundation Board supported the \$20,000 for the renovations necessary at AVCI to support the installation of the Science on a Sphere. The Sphere was installed by NASA on the week of October 16th. It has already been in use for field trips and professional development. It was also highlighted during Superintendent Alejandro’s State of Education address on September 25, 2019.</li> </ul>
<p><b>Goal 2: Develop and maintain facilities to meet the TK-12 needs at both campuses.</b></p>	
<p><u>2.1 Objective: Complete NSLA TK-12 and Head Start campus in Winter/Spring 2021.</u></p>	<ul style="list-style-type: none"> <li>• The current timelines indicate a completion of March 2021. Staff is working on a school calendar to be communicated with staff, parents and stakeholders to reflect this one year adjustment.</li> <li>• The TEFRA Bond approval was presented to the County of San Bernardino Board of Supervisors and approved without comment.</li> <li>• The NSLA/Head Start project will be presented at the San Bernardino City Development Environmental Review Committee (DERC) on October 9th.</li> <li>• An LLC has been created for the new bond financing structure.</li> </ul>
<p><u>2.2 Objective: Create a deferred maintenance schedule to properly identify and address the needs of aging equipment, building and infrastructure.</u></p>	<ul style="list-style-type: none"> <li>• A draft has been completed. Staff is in the process of finalizing it.</li> <li>• Deferred maintenance priorities include: Fire life &amp; Safety, HVAC filters and coils, grading where portables were removed, AAE parking lot, Lewis Center M Bldg carpet, A/C coil replacement in A Bldg at AAE, and charcoal backflow caps for restroom sewer vents.</li> <li>• A larger walk in freezer for AAE will be purchased with grant funding to replace the existing freezer that is rented.</li> </ul>
<p><u>2.3 Objective: Monitor technological systems to protect against external and internal security threats.</u></p>	<ul style="list-style-type: none"> <li>• AAE North Elementary student egress for pick up/drop off and emergency evacuations was improved by adding another gate and expanding the existing gate. This project will be completed during fall break.</li> <li>• Improved parking lot traffic control signage at AAE.</li> <li>• NSLA’s wired and wireless infrastructure is being upgraded. The new system will be able to be moved to the new campus. It will protect against the latest malware and ransomware threats. It also allows for quality of service improvements and the ability to terminate destructive or malicious content.</li> <li>• AAE will be upgrading its obsolete and out-dated security system. New features will include teacher/admin key FOBs, remote access to arm and disarm, and improved onsite monitoring.</li> </ul>
<p><u>2.4: Utilize the refinancing of the AAE Bonds to address capital campaign needs (i.e. Multipurpose Room, secondary</u></p>	<ul style="list-style-type: none"> <li>• We are currently in the civil engineering phase of this project.</li> <li>• We have completed the due diligence packet for the bond refinancing.</li> <li>• An LLC has been created for the new bond financing structure.</li> </ul>

<p><u>science labs, additional athletic and P.E. fields, special education, parking lot rehabilitation, etc.).</u></p>	<ul style="list-style-type: none"> <li>● We are forming an AAE task force to guide the development of these facilities.</li> </ul>
<p><b>Goal 3: Strengthen the academic programs at both schools resulting in increased student mastery while preparing every student for post-secondary success in the global society.</b></p>	
<p><u>3.1 Objective: Both schools will demonstrate continued increases in student mastery in the area of Mathematics as reported on the California School Dashboard.</u></p>	<ul style="list-style-type: none"> <li>● Both schools have adopted curriculum at all levels that includes an emphasis on teacher professional development.</li> <li>● Teachers utilize ongoing assessment data to inform their instruction and meet regularly to discuss individual student mastery.</li> <li>● The CAASPP summary reports for ELA/Math are expected to be published later this month and will be presented at the November 12th meeting. The LCAP goals will be based upon student progress.</li> </ul>
<p><u>3.2 Objective: In order to decrease referrals for counseling and behavior incidents, both schools are implementing curricula at the elementary, middle and high school to support Social Emotional Learning (SEL). The collective outcomes of these strategies are to: enhance the ability of students to self-regulate, strengthen relationships amongst students and staff, and empower teachers to support SEL needs in the classroom.</u></p>	<ul style="list-style-type: none"> <li>● NSLA adopted and is implementing SEL curriculum, Habitudes. The school counselor is teaching lessons in individual classrooms.</li> <li>● AAE adopted Second Step SEL curriculum. It has CASEL effective programs for both elementary and middle school. Lessons will be taught weekly by elementary teachers and middle school homeroom teachers.</li> <li>● Both schools will continue to monitor the progress toward the SEL goals.</li> </ul>
<p><u>3.3 Objective: Both schools will develop a more robust STEAM strand that builds upon itself in grades TK-12.</u></p>	<ul style="list-style-type: none"> <li>● Staff will continue to attend various STEAM professional development opportunities including: <ul style="list-style-type: none"> <li>○ STEAM conference</li> <li>○ NGSS trainings</li> </ul> </li> <li>● NSLA is piloting Twig Science to determine which NGSS aligned content/framework/curriculum will increase STEAM learning in Dual Immersion.</li> <li>● AAE is examining elementary Science curriculum from Twig Science, STEMscopes, or FOSS to determine which one to pilot.</li> <li>● AAE students enrolled in an Institute for Student Astronomical Research (InStAR) seminar this semester which allows them to work closely with professional scientists.</li> </ul>

	<ul style="list-style-type: none"> <li>● Marco Lara and Toni Preciado are taking a delegation of NSLA's Space Science middle school students to Chile on October 12th for a science and language study trip. This exchange is an outcropping of our 11-year GAVRT partnership in Chile.</li> </ul>
<b>Goal 4: Recruit, develop and retain a highly qualified and diversified staff.</b>	
4.1 <u>Objective: Evaluate ongoing and new recruitment efforts to ensure that all positions are filled with highly-qualified and diversified staff.</u>	<ul style="list-style-type: none"> <li>● Teacher recruitment for interns for next year is ongoing with an emphasis on historically difficult to fill positions.</li> <li>● HR and site admin will continue to partner with local universities and attend career fairs to recruit new teachers.</li> </ul>
4.2 <u>Objective: Develop a comprehensive succession plan for all key positions.</u>	<ul style="list-style-type: none"> <li>● Personnel task force has been meeting regularly to develop the CEO succession plan. Their progress is presented at the monthly board meetings.</li> <li>● Each Director on the Executive Team is working on departmental succession plans with the goal to build capacity internally.</li> </ul>
4.3 <u>Objective: Invest in professional development for classified and certificated staff and board members.</u>	<ul style="list-style-type: none"> <li>● Both schools have scheduled Garner Holt Imagination Through Education professional development in the coming months. This will provide STEAM training for all teachers and is intended to be the beginning of a deeper partnership with Garner Holt (LCER).</li> <li>● ALICE school safety training (NSLA Certificated Staff)</li> <li>● CABE training (NSLA Certificated Staff)</li> <li>● CPI Training (AAE)</li> <li>● UC High School Counselor Conference 2019 (AAE)</li> <li>● District Science Teachers Community of Practice</li> <li>● CSU High School Counselor Conference (AAE Counseling Staff)</li> <li>● Student Records Workshop (LCER)</li> <li>● AVCI Next Generation Science Standards Training (LCER Elementary/ Secondary Science teachers)</li> </ul>
4.4 <u>Create a highly attractive environment for staff which increases and/or maintains staff retention rates LCER-wide.</u>	<ul style="list-style-type: none"> <li>● The HR Department, in collaboration with the Executive Team, is currently revamping the Employee Recognition Program.</li> </ul>
<b>Goal 5: The Lewis Center for Educational Research will communicate and operate under a common vision, mission, goals and objectives.</b>	
5.1 <u>Objective: The Board of Directors and Executive Team will continue to participate in annual strategic planning. Progress toward goals will be reported monthly via the CEO Board Report.</u>	<ul style="list-style-type: none"> <li>● The Annual Strategic Planning Meeting was held on August 9, 2019.</li> <li>● A Vision Committee was established and met to codify the drafts of the revisions from the strategic planning session. That draft was presented and ratified by the Board on September 9, 2019.</li> <li>● The Executive Team met to draft the objectives and tasks to support the revised goals. These were also presented on</li> </ul>

	<p>September 9, 2019.</p> <ul style="list-style-type: none"> <li>● The Board will vote on the final draft of the Strategic Plan during regular session on October 14, 2019.</li> <li>● The staff report template has been updated to reflect the current goals for the 2019-2020 School Year.</li> </ul>
<p><u>5.2 Objective: Board and Executive Team will actively communicate LCER's mission to the stakeholders and communities that we serve.</u></p>	<ul style="list-style-type: none"> <li>● The Board and Executive Team members have made a concerted effort to become more involved in the communities we serve. An example of this from the past month is the Victor Valley Golf Tournament which was jointly hosted by the Victor Valley Regional Chamber of Commerce and the Lewis Center. The golf tournament had strong community and business participation and was well attended by both the Lewis Center Board and Administration. This event allowed us to specifically share more about our mission and vision at the luncheon with those in attendance.</li> <li>● Matt Cabe has begun to attend the San Bernardino Chamber of Commerce monthly coffee meetings. He has also completed an analysis of all media outlets that serve the Inland Empire. This foundation will allow us to be intentional in investing resources to build our presence in the Inland Empire region.</li> <li>● David Bains has offered to allow the Lewis Center to share space at his table at the High Desert Opportunity Summit. This will allow us to distribute more information to local citizens and businesses about both schools, global and local programs.</li> <li>● Amy Ritter, Local Outreach Coordinator, recently presented at the Senior with Inquiring Minds (S.W.I.M.) meeting. She was able to highlight the Lewis Center and local program opportunities at Mineral City and AVCI.</li> <li>● Superintendent Ted Alejandre personally invited students from both of our schools to attend his annual State of Education addresses. The County paid for busses to transport our students and staff to these events. The NSLA students were invited on the stage to take a picture with the Superintendent and County Board of Education members at the conclusion of the event in San Bernardino. The AAE AFJROTC Color Guard presented the colors in Victorville, and Superintendent Alejandre specifically mentioned the Lewis Center's partnership with NASA, AVCI and the installation of the Science on a Sphere in his remarks regarding innovation in the County.</li> </ul>
<p><u>5.3 Objective: Increase communication with stakeholders regarding progress toward mission, vision, and goals.</u></p>	<ul style="list-style-type: none"> <li>● The joint Back to School All Staff meeting gave updates regarding mission, vision and progress toward goals.</li> <li>● Staff receives invitations to attend monthly board meetings with the packet that contains the staff report.</li> <li>● Both schools' LCAPs reflect the Lewis Center Strategic Plan. Schoolwide systems set up for engagement around these plans</li> </ul>

	<p>include: Professional Learning Communities, Academic Leadership Teams, School Site Councils, and Parents and Pastries Open Forums. Each of these stakeholder groups meet at least monthly to discuss school- wide progress and improvement. Annual student, staff and parent surveys are also conducted to seek feedback and input.</p> <ul style="list-style-type: none"> <li>● All Lewis Center websites and social media accounts are currently being reviewed by Matt Cabe and administration with the goal to improve the public’s ability to learn more about the Lewis Center’s mission, vision and goals.</li> <li>● Matt Cabe, Valli Andreasen, Fausto Barragan and Lisa Lamb are drafting guides for home-to-school communication. Once finalized, these will be shared with staff and families. The goal is to share the proper avenues for open, ongoing communication and keeping it productive.</li> <li>● Matt Cabe will be producing and distributing a monthly newsletter to highlight staff, students, programs and achievements. This will be shared with Board, staff, families, donors and community members through email and social media.</li> </ul>
<p><b>Additional Staff Information</b></p>	
<p>PR and Marketing Updates</p>	<p><b>Events</b></p> <ul style="list-style-type: none"> <li>● Sept. 6: AAE ASB Yogurtland fundraiser</li> <li>● Sept. 11: Lewis Center Patriot Day Ceremony</li> <li>● Sept. 13: Parents &amp; Pastries (9/11 follow up)</li> <li>● Sept. 13: Movie Night in AAE Gym (“Aladdin”)</li> <li>● Sept. 18: AAE Blood Drive</li> <li>● Sept. 19: State of Education (NSLA) NGSS Teacher Training (AVCI)</li> <li>● Sept. 24: AAE AFJROTC Chipotle fundraiser</li> <li>● Sept. 25: State of Education (AAE) ALICE School Safety Training (NSLA)</li> <li>● Sept. 25: ASB Disneyland trip</li> <li>● Sept. 26: AAE ASB Ice Cream Social fundraiser (\$5) NGSS Teacher Training (AVCI)</li> <li>● Sept. 27: AAE ASB Pizza Factory fundraiser</li> <li>● Sept. 27: Victor Valley Regional Open Golf</li> <li>● Barnes and Noble Fundraiser (NSLA)</li> <li>● Tournament (Foundation event)</li> <li>● Oct. 4: NSLA Middle School Dance</li> <li>● Oct. 12: NSLA Delegation leaves for week-long study trip in Chile.</li> <li>● Oct. 7-11: Anti-bullying week (NSLA)</li> </ul> <p><b>Media coverage</b></p>

	<ul style="list-style-type: none"> <li>● Sept. 6: "A day for remembrance." Daily Press article previewing AAE's Patriot Day ceremony. Ran on the Daily Press website and as the centerpiece story in the High Desert section of the paper.</li> <li>● Sept. 8: "Public invited to attend 17th annual Patriot Day Ceremony in Apple Valley." VVNG article previewing the Lewis Center's Patriot Day ceremony. VVNG's headline likely spurred the email and Facebook comments. No concerned parents mentioned the Daily Press article from two days earlier that ran a different headline.</li> <li>● Sept. 9: Lewis Center's Patriot Day ceremony included in a Daily Press article that compiled a list of all the 9/11 observances scheduled in the High Desert.</li> <li>● Sept.: Tortoise Terrace featured again in a Daily Press with photos that ran with a feature story on Mary Dutro.</li> <li>● Sept. 11: AAE's girls tennis match against Sultana included in the Daily Press' Area Roundup article. AAE lost 15-3. Sultana's coach called in the scores.</li> <li>● Sept. 12: AAE's girls tennis match against Apple Valley included in the Daily Press' Area Roundup article. AAE lost 17-1. Apple Valley's coach called in the scores.</li> <li>● Oct.: "The Sky's the Limit" article highlighted the Lewis Center's STEAM programs and NASA partnership in the Victor Valley Economic Development Magazine.</li> </ul>

The High Desert Partnership in Academic Excellence Foundation, Inc.  
 Check/Voucher Register - Board Report - 10K  
 From 9/1/2019 Through 9/30/2019

<u>Effective D...</u>	<u>Check Nu...</u>	<u>Vendor Name</u>	<u>Check Amount</u>	<u>Transaction Description</u>
9/3/2019	43208	CharterSAFE	26,010.00	Insurance premium pymt for January
9/3/2019	43211	SBCSS	68,935.15	NSAA STRS contributions for August
9/3/2019		SBCSS	129,495.97	LCER/AAE - STRS contributions for August
9/3/2019	43214	SBCSS	21,476.00	NSAA PERS contributions for August
9/3/2019		SBCSS	58,677.97	LCER/AAE - PERS contributions for August
9/13/2019	420		382,217.95	Group: Payroll; Pay Date: 9/13/2019
9/16/2019	43229	Liberty Utilities	10,208.45	Acct# 084800 - Elem Playfield
9/16/2019	43250	Curriculum Associates,...	17,970.85	PO# 1920-0088-AAE -
9/16/2019	43269	IXL Learning	13,594.00	PO# 20-0015-IT-S
9/16/2019	43285	Preferred Meal System...	13,111.04	NSLA Cafeteria Food 8/26/19
9/16/2019	43296	SISC	184,467.30	Health Coverage for September 2019
9/16/2019	43305	Virtual Graffiti	23,120.48	PO# 20-0014-IT-S Barracuda 1 year plan
9/26/2019	43345	Hayes Software Systems	13,775.00	PO# 20-0003-IT-S GetHelp Software Package
9/26/2019	43349	Illuminate Education, Inc	13,896.00	PO# 20-0001-IT-S CoHort Package
9/26/2019	43352	KDC Technologies	18,390.39	PO# 20-1003-IT-H
9/26/2019		KDC Technologies	55,470.27	PO# 20-1002-IT-H Access Point
9/26/2019	43366	Southern California Edi...	11,198.69	Acct# 2-30-619-9621 NSLA
9/26/2019		Southern California Edi...	21,443.55	Acct# 2-21-356-3786 - MRC Campus
9/26/2019		Southern California Edi...	22,525.39	Acct# 2-35-953-2850 - MRC Campus
9/30/2019	422		<u>390,169.48</u>	Group: Payroll; Pay Date: 9/30/2019
Report Total			<u>1,496,153.93</u>	



**All Funds - Budget Comparison 2018/19 to 2019/20**

Note - Revenue Reported is % of Budgeted Revenue Earned

	2018-2019			
	Total Budget \$ - Revised	Current Period Actual		Percent Remaining
		thru September	Remaining Budget	
<b>Revenue</b>	<b>Annual Budgeted Revenue</b>			
Revenue	23,394,181	5,848,545	17,545,636	75.00%
<b>Expense</b>	<b>Annual Budgeted Revenue</b>			
Certificated Salaries	9,573,430	2,234,378	7,339,052	76.66%
Classified Salaries	3,162,047	727,503	2,434,544	76.99%
Benefits	4,694,848	1,025,113	3,669,735	78.17%
Books and Supplies	1,634,067	464,438	1,169,629	71.58%
Services & Other	2,335,445	396,523	1,938,922	83.02%
Capital Outlay	217,500	11,758	205,742	94.59%
Other Outgo	977,044	289,397	687,647	70.38%
Share of LCER	0	0	0	N/A
<b>Total Expense</b>	<b>22,594,381</b>	<b>5,149,110</b>	<b>17,445,271</b>	<b>77.21%</b>
Add (Subtract) to Reserves	799,800	699,435	100,365	
<b>Total Revenue</b>	<b>23,394,181</b>	<b>5,848,545</b>	<b>17,545,636</b>	<b>25.00%</b>
<b>Total Expense</b>	<b>22,594,381</b>	<b>5,149,110</b>	<b>17,445,271</b>	<b>22.79%</b>
Add (Subtract) to Reserves	799,800	699,435	100,365	

Note - Revenue Reported is % of Budgeted Revenue Earned

	2019-2020			
	Total Budget \$ - Original	Current Period Actual		Percent Remaining
		thru September	Remaining Budget	
<b>Revenue</b>	<b>Annual Budgeted Revenue</b>			
Revenue	24,219,500	6,054,875	18,164,625	75.00%
<b>Expense</b>	<b>Annual Budgeted Revenue</b>			
Certificated Salaries	9,918,476	2,347,256	7,571,220	76.33%
Classified Salaries	3,463,235	780,216	2,683,019	77.47%
Benefits	4,860,713	1,123,697	3,737,016	76.88%
Books and Supplies	1,445,252	506,807	938,445	64.93%
Services & Other	2,277,763	434,769	1,842,994	80.91%
Capital Outlay	227,500	60,517	166,983	73.40%
Other Outgo	947,000	209,464	737,536	77.88%
Share of LCER	0	0	0	N/A
<b>Total Expense</b>	<b>23,139,939</b>	<b>5,462,726</b>	<b>17,677,213</b>	<b>76.39%</b>
Add (Subtract) to Reserves	1,079,561	592,149	487,412	
<b>Total Revenue</b>	<b>24,219,500</b>	<b>6,054,875</b>	<b>18,164,625</b>	<b>25.00%</b>
<b>Total Expense</b>	<b>23,139,939</b>	<b>5,462,726</b>	<b>17,677,213</b>	<b>23.61%</b>
Add (Subtract) to Reserves	1,079,561	592,149	487,412	

**AAE - Budget Comparison 2017/18 to 2018/19**

Note - Revenue Reported is % of Budgeted Revenue Earned

	2018-2019			
	Total Budget \$ - Revised	Current Period Actual		Percent Remaining
		thru September	Remaining Budget	
<b>Revenue</b>	<b>Annual Budgeted Revenue</b>			
Revenue	14,150,329	10,074,765	4,075,564	28.80%
<b>Expense</b>	<b>Annual Budgeted Revenue</b>			
Certificated Salaries	5,704,026	1,360,471	4,343,555	76.15%
Classified Salaries	1,151,280	257,721	893,559	77.61%
Benefits	2,493,290	565,519	1,927,771	77.32%
Books and Supplies	829,630	231,522	598,108	72.09%
Services & Other	1,004,066	142,353	861,713	85.82%
Capital Outlay	137,500	9,119	128,381	93.37%
Other Outgo	977,044	289,397	687,647	70.38%
Share of LCER	1,605,370	376,343	1,229,027	76.56%
<b>Total Expense</b>	<b>13,902,206</b>	<b>3,232,445</b>	<b>10,669,761</b>	<b>76.75%</b>
Add (Subtract) to Reserves	248,123	6,842,320	(6,594,197)	
<b>Total Revenue</b>	<b>14,150,329</b>	<b>10,074,765</b>	<b>4,075,564</b>	<b>71.20%</b>
<b>Total Expense</b>	<b>13,902,206</b>	<b>3,232,445</b>	<b>10,669,761</b>	<b>23.25%</b>
Add (Subtract) to Reserves	248,123	6,842,320	-6,594,197	

Note - Revenue Reported is % of Budgeted Revenue Earned

	2019-2020			
	Total Budget \$ - Original	Current Period Actual		Percent Remaining
		thru September	Remaining Budget	
<b>Revenue</b>	<b>Annual Budgeted Revenue</b>			
Revenue	14,591,131	3,647,783	10,943,348	75.00%
<b>Expense</b>	<b>Annual Budgeted Revenue</b>			
Certificated Salaries	5,916,706	1,409,479	4,507,227	76.18%
Classified Salaries	1,287,916	283,128	1,004,788	78.02%
Benefits	2,550,273	596,418	1,953,855	76.61%
Books and Supplies	752,885	231,155	521,730	69.30%
Services & Other	892,887	184,011	708,876	79.39%
Capital Outlay	177,500	8,374	169,126	95.28%
Other Outgo	947,000	207,464	739,536	78.09%
Share of LCER	1,741,438	454,431	1,287,006	73.90%
<b>Total Expense</b>	<b>14,266,605</b>	<b>3,374,460</b>	<b>10,892,144</b>	<b>76.35%</b>
Add (Subtract) to Reserves	324,527	273,323	51,204	
<b>Total Revenue</b>	<b>14,591,131</b>	<b>3,647,783</b>	<b>10,943,348</b>	<b>25.00%</b>
<b>Total Expense</b>	<b>14,266,605</b>	<b>3,374,460</b>	<b>10,892,144</b>	<b>23.65%</b>
Add (Subtract) to Reserves	324,527	273,323	51,204	

**NSLA - Budget Comparison 2017/18 to 2018/19**

Note - Revenue Reported is % of Budgeted Revenue Earned

	2018-2019			
	Total Budget \$ - Revised	Current Period Actual		Percent Remaining
		thru September	Remaining Budget	
<b>Revenue</b>	<b>Annual Budgeted Revenue</b>			
Revenue	9,138,352	2,284,588	6,853,764	75.00%
<b>Expense</b>	<b>Annual Budgeted Revenue</b>			
Certificated Salaries	3,400,458	765,444	2,635,014	77.49%
Classified Salaries	875,892	183,208	692,684	79.08%
Benefits	1,497,928	275,303	1,222,625	81.62%
Books and Supplies	1,770,364	193,927	576,437	74.83%
Services & Other	933,201	120,814	812,387	87.05%
Capital Outlay	10,000	1,626	8,374	83.74%
Other Outgo	0	0	0	N/A
Share of LCER	1,098,832	376,343	722,489	65.75%
<b>Total Expense</b>	<b>8,586,675</b>	<b>1,916,665</b>	<b>6,670,010</b>	<b>77.68%</b>
Add (Subtract) to Reserves	551,677	367,923	183,754	
<b>Total Revenue</b>	<b>9,138,352</b>	<b>2,284,588</b>	<b>6,853,764</b>	<b>25.00%</b>
<b>Total Expense</b>	<b>8,586,675</b>	<b>1,916,665</b>	<b>6,670,010</b>	<b>22.32%</b>
Add (Subtract) to Reserves	551,677	367,923	183,754	

Note - Revenue Reported is % of Budgeted Revenue Earned

	2019-2020			
	Total Budget \$ - Original	Current Period Actual		Percent Remaining
		thru September	Remaining Budget	
<b>Revenue</b>	<b>Annual Budgeted Revenue</b>			
Revenue	9,497,369	2,374,342	7,123,027	75.00%
<b>Expense</b>	<b>Annual Budgeted Revenue</b>			
Certificated Salaries	3,516,967	822,391	2,694,576	76.62%
Classified Salaries	924,674	196,652	728,022	78.73%
Benefits	1,520,878	342,001	1,178,877	77.51%
Books and Supplies	617,939	249,110	368,829	59.69%
Services & Other	983,686	121,779	861,907	87.62%
Capital Outlay	20,000	52,101	(32,101)	-160.51%
Other Outgo	0	2,000	(2,000)	N/A
Share of LCER	1,158,191	302,232	855,959	73.90%
<b>Total Expense</b>	<b>8,742,335</b>	<b>2,088,266</b>	<b>6,654,069</b>	<b>76.11%</b>
Add (Subtract) to Reserves	755,035	286,076	468,958	
<b>Total Revenue</b>	<b>9,497,369</b>	<b>2,374,342</b>	<b>7,123,027</b>	<b>25.00%</b>
<b>Total Expense</b>	<b>8,742,335</b>	<b>2,088,266</b>	<b>6,654,069</b>	<b>23.89%</b>
Add (Subtract) to Reserves	755,035	286,076	468,958	

**LCER - Budget Comparison 2017/18 to 2018/19**

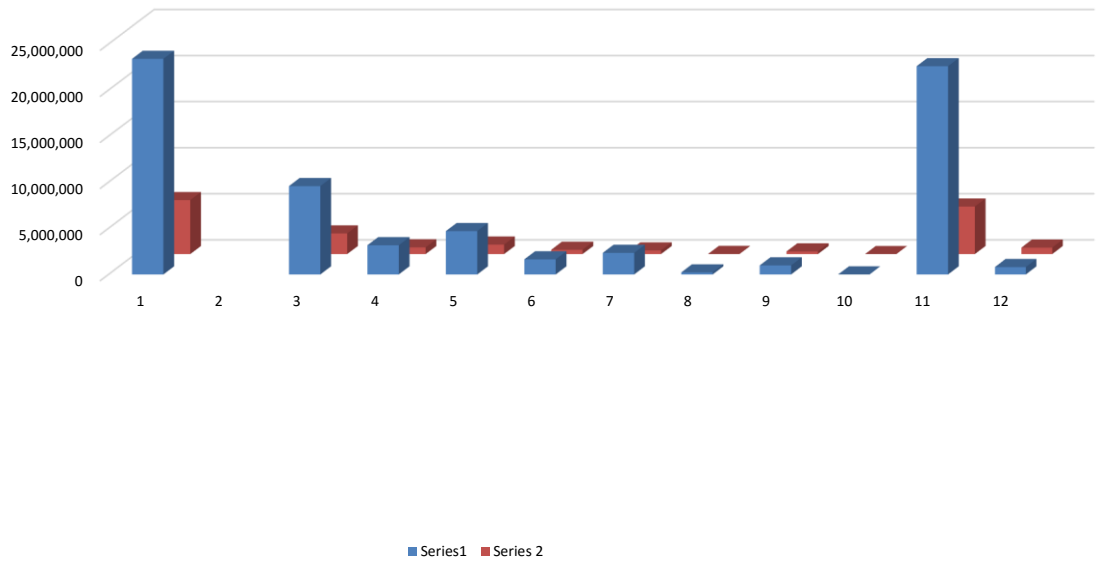
Note - Revenue Reported is % of Budgeted Revenue Earned

	2018-2019			
	Total Budget \$ - Revised	Current Period Actual		Percent Remaining
		thru September	Remaining Budget	
<b>Revenue</b>	<b>Annual Budgeted Revenue</b>			
Revenue	105,500	41,758	63,742	60.42%
<b>Expense</b>	<b>Annual Budgeted Revenue</b>			
Certificated Salaries	468,946	108,463	360,483	76.87%
Classified Salaries	1,134,875	286,574	848,301	74.75%
Benefits	703,630	184,291	519,339	73.81%
Books and Supplies	34,073	38,989	(4,916)	-14.43%
Services & Other	398,178	133,356	264,822	66.51%
Capital Outlay	70,000	1,013	68,987	98.55%
Other Outgo	0	0	0	N/A
Share of LCER	(2,704,202)	(752,686)	(1,951,516)	
<b>Total Expense</b>	<b>105,500</b>	<b>0</b>	<b>105,500</b>	<b>100.00%</b>
Add (Subtract) to Reserves	0	41,758	(41,758)	
<b>Total Revenue</b>	<b>105,500</b>	<b>41,758</b>	<b>63,742</b>	<b>39.58%</b>
<b>Total Expense</b>	<b>105,500</b>	<b>0</b>	<b>105,500</b>	<b>0.00%</b>
Add (Subtract) to Reserves	0	41,758	-41,758	

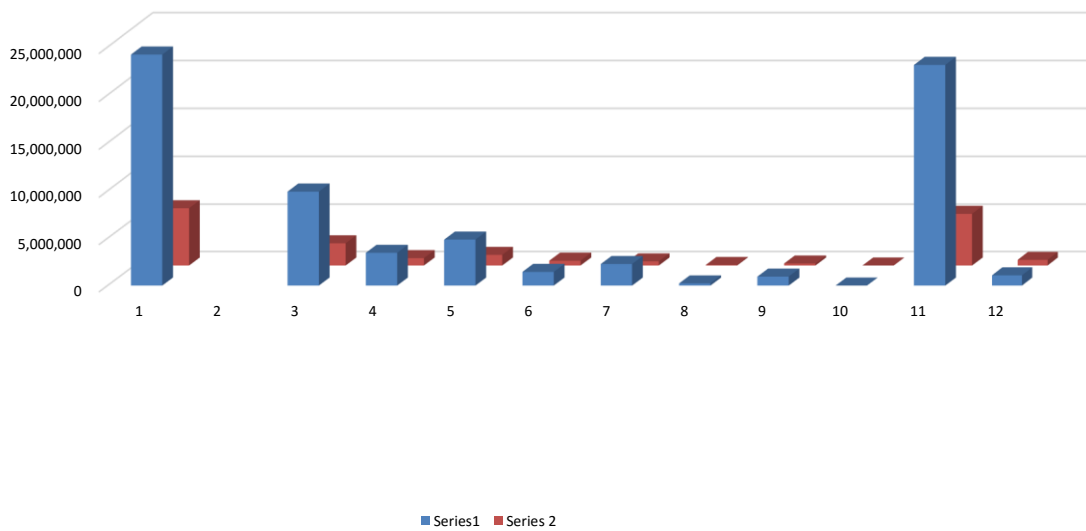
Note - Revenue Reported is % of Budgeted Revenue Earned

	2019-2020			
	Total Budget \$ - Original	Current Period Actual		Percent Remaining
		thru September	Remaining Budget	
<b>Revenue</b>	<b>Annual Budgeted Revenue</b>			
Revenue	131,000	67,720	63,280	48.31%
<b>Expense</b>	<b>Annual Budgeted Revenue</b>			
Certificated Salaries	484,803	115,386	369,417	76.20%
Classified Salaries	1,250,645	300,436	950,209	75.98%
Benefits	789,562	185,278	604,284	76.53%
Books and Supplies	74,428	26,542	47,886	64.34%
Services & Other	401,190	128,979	272,211	67.85%
Capital Outlay	30,000	42	29,958	99.86%
Other Outgo	0	0	0	N/A
Share of LCER	(2,899,628)	(756,663)	(2,142,965)	73.90%
<b>Total Expense</b>	<b>131,000</b>	<b>0</b>	<b>131,000</b>	<b>100.00%</b>
Add (Subtract) to Reserves	0	67,720	(67,720)	
<b>Total Revenue</b>	<b>131,000</b>	<b>67,720</b>	<b>63,280</b>	<b>51.69%</b>
<b>Total Expense</b>	<b>131,000</b>	<b>0</b>	<b>131,000</b>	<b>0.00%</b>
Add (Subtract) to Reserves	0	67,720	-67,720	

2018-19



2019-20



**LEWIS CENTER FOUNDATION**  
**COMBINED BALANCE SHEET AND INCOME STATEMENT**  
**August 1 - August 31, 2019**

**CHECKING (LEWIS CENTER FOUNDATION)**

<b>Beginning Balance</b>		<b>\$25,176.49</b>
<b>Revenue</b>		
2019 Victor Valley Regional Open Golf Tournament Sponsorships	\$2,550.45	
Online Donation - Chile Exchange	\$99.29	
Online Donation - AAE Perfect Attendance	\$1,553.00	
Transfer from Savings - Scholarships	\$2,500.00	
Transfer from Savings - Unrestricted	\$10,711.32	
<i>Total</i>	\$17,414.06	
<b>Expenditures</b>		
AVCI Construction	\$9,400.00	
Visa - Square Point of Sale Systems	\$1,311.32	
Tarrant County College - Melissa Cunningham - AAE PTC Scholarship	\$500.00	
The Master's University - Kimberly Page - AAE PTC Scholarship	\$500.00	
Transfer to Savings - AAE/NSLA Capital Campaign	\$19,104.19	
<i>Total</i>	\$30,815.51	
<b>Ending Balance</b>	<i>Total</i>	<b>\$11,775.04</b>

**SAVINGS (LEWIS CENTER FOUNDATION)**

<b>Beginning Balance</b>		
Restricted Funds - AAE Capital Campaign		\$88,107.94
Restricted Funds- NSLA Capital Campaign		\$23,509.44
Restricted Funds - Davis Endowment		\$12,021.34
Restricted Funds - HiDAS Endowment		\$64,534.87
Restricted Funds - Scholarships		\$31,290.29
Unrestricted Funds		\$91,925.78
		\$311,389.66
<b>Revenue</b>		
Facility Rentals	\$435.00	
Wells Fargo Community Donations	\$210.00	
AAE Staff Scholarship	\$15.00	
Transfer from Checking - AAE Capital Campaign - Gala	\$9,452.10	
Transfer from Checking - NSLA Capital Campaign - Gala and Online Donations	\$9,652.09	
Interest	\$25.29	
<i>Total</i>	\$19,789.48	
<b>Expenditures</b>		
Bloomerang Invoice	\$1,366.20	
Transfer to Checking - Scholarships	\$2,500.00	
Transfer to Checking - Unrestricted	\$10,711.32	
<i>Total</i>	\$14,577.52	
<b>Ending Balance</b>		
Restricted Funds - AAE Capital Campaign		\$97,569.15
Restricted Funds - NSLA Capital Campaign		\$33,163.55
Restricted Funds - Davis Endowment		\$12,022.35
Restricted Funds - HiDAS Endowment		\$64,540.94
Restricted Funds - Scholarships		\$28,808.32
Unrestricted Funds		\$80,497.31
	<i>Total</i>	<b>\$316,601.62</b>

**Total Checking and Savings**

**\$328,376.66**

**LCER Board Meetings  
Attendance Log 2019**

	<b>February Regular</b>	<b>March Regular</b>	<b>April Regular</b>	<b>May Regular</b>	<b>June Regular</b>	<b>August Regular</b>	<b>Sept. Regular</b>	<b>Oct Regular</b>	<b>Nov Regular</b>	<b>Dec Regular</b>	<b>TOTAL REGULAR</b>

Duberly Beck	Present	Present	Present	Present	Present	Present	Present				100%
Sharon Page	Present	Present	Present	Present	Present	Present	Present				100%
Jessica Rodriguez			Present	Present	Present	Present	Present				100%
Rick Wolf	Present	Present	Present	Present	Present	Present	Present				100%
Jim Morris	Present	Present	Present	Present	Present	Present	Absent				88%
Omari Onyango	Present	Absent	Present	Present	Present	Absent	Present				71%
David Rib	Absent	Present	Present	Present	Present	Absent	Present				71%
Pat Caldwell	Present	Present	Absent	Present	Present	Absent	Absent				57%
Marcia Vargas	Present	Present	Present	Absent	Absent	Present	Absent				57%

	<b>Jan. 24 Special</b>	<b>Feb. 25 Special</b>	<b>June 6 Special</b>	<b>June 18 Special</b>	<b>August 9 Special</b>		<b>TOTAL SPECIAL</b>
Duberly Beck	Present	Present	Present	Present	Present		100%
Sharon Page	Present	Present	Present	Present	Present		100%
Jessica Rodriguez			Present	Present	Present		100%
Pat Caldwell	Absent	Present	Present	Present	Present		80%
Marcia Vargas	Present	Present	Absent	Absent	Present		60%
Rick Wolf	Present	Present	Absent	Absent	Present		60%
Omari Onyango	Absent	Present	Present	Absent	Absent		40%
David Rib	Present	Absent	Absent	Present	Absent		40%
Jim Morris	Absent	Absent	Present	Absent	Present		40%

**LCER Board Give and Get**  
**Current Fiscal Year 2019 /2020**

<b>Member</b>	<b>Give</b>	<b>Get</b>	<b>In-kind</b>	<b>Total</b>
Duberly Beck	\$ 500			\$ 500
Pat Caldwell		\$ 1,000		\$ 1,000
James Morris				\$ -
Omari Onyango	\$ 200			\$ 200
Sharon Page	\$ 150			\$ 150
Jessica Rodriguez	\$ 150			\$ 150
David Rib		\$ 1,500		\$ 1,500
Marcia Vargas	\$ 1,310			\$ 1,310
Rick Wolf				\$ -
<b>Total</b>	<b>\$ 2,310</b>	<b>\$ 2,500</b>	<b>\$ -</b>	<b>\$ 4,810</b>