

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

Held June 7, 2016

Minutes of a Regular Meeting of the Board of Directors of Parnassus Preparatory School, a Minnesota non-profit corporation (the “Company” or the “School”), held on June 7, 2016 at Parnassus Preparatory School, 11201 96th Street, Maple Grove, Minnesota.

Present at the meeting were directors Greg Friess, Ken Zigrino, Barb Rose, Nancy Rigby and Heather Ross. Also present were Ms. Ford, the School’s Executive Director, and Mr. Craig Kepler, the School’s real estate counsel,

The meeting was called to order by Mr. Friess at 6:00 p.m. All directors present waived notice of meeting, and Mr. Friess noted the presence of a quorum.

MISSION STATEMENT

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

REORDERING OF AGENDA

The next order of business was to address the Agenda for the meeting included in the Board’s packet circulated prior to the meeting (the “Board Packet”). It was suggested that the order of presentation be changed so that the approval of the Agenda would come after the closed session of the Board. Upon motion duly made and seconded, the Board unanimously approved the order change as noted.

CLOSED SESSION

The next order of business was to close this portion of the Board meeting in accordance with Minn. Stat. Section 13D.05, Subdivision 3(b)(iii) in order to discuss the price of real estate. On motion duly made and seconded, the meeting was then closed as of 6:05 p.m. A general discussion then ensued on questions concerning the price of real estate. No formal action was taken. The session was re-opened at 7:02 p.m., whereupon Mr. Kepler left the meeting.

OPEN SESSION DISCUSSION

The next order of business was to state generally what was discussed in the preceding closed session. Mr. Friess stated for the record that the Board had discussed questions concerning the price of real estate.

REVISED BUDGET PROJECTIONS

The next order of business was to discuss revising the School's budget projections. On motion duly made and seconded, the Board unanimously authorized the Finance Committee to prepare revised budget numbers for 2017 to set forth different budget scenarios of the School's range of facilities-related options.

ADDITIONAL GUESTS

At this point, Ms. Richardson, the School's special education consultant, and Mr. Hamiel, the Principal of the School of Logic and Rhetoric, entered the meeting.

APPROVAL OF AGENDA

The next order of business was to approve the Agenda for the meeting included in the Board Packet. Upon motion duly made and seconded, the Board unanimously approved the Agenda as presented in the Board Packet, with the change in the order of presentation as previously noted.

APPROVAL OF CONSENT AGENDA

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

DISCUSSION OF ADMINISTRATIVE ITEMS

The next order of business was to discuss administrative items. Ms. Ford discussed various items, including the upcoming "wrap-up" of the year to be included in the next Columns, and the School enrollment figure, which was at 877. No formal action was taken.

APPROVAL OF PROCUREMENT POLICY

The next order of business was to discuss the approval of the Procurement Policy presented in the Board Packet. Mr. Hamiel went over the policy with the Board, and noted that it was required by the federal government, mostly for special education purposes. It was further noted that the proposed policy had been reviewed and recommended by both the Finance Committee and Mr. Hamiel. Upon motion duly made and seconded, the Board unanimously approved the Procurement Policy as presented in the Board Packet.

APPROVAL OF UPDATED CONTRACT WITH DONE RIGHT FOODS

The next order of business was to discuss the approval of the updated contract for vended meals with Done Right Food Services, Inc. as presented in the Board Packet. Upon motion duly made and seconded, the Board unanimously approved the updated contract with Done Right as

presented in the Board Packet. In addition, the Board agreed that the School would not raise its prices for meals even though the updated contract called for a price increase of 2.2%.

APPROVAL OF EMPLOYEE HANDBOOK

The next order of business was to discuss the approval of the proposed Employee Handbook as presented in the Board Packet. Ms. Richardson presented the changes to the Board and answered questions. Upon motion duly made and seconded, the Board unanimously approved the Employee Handbook as presented in the Board Packet.

ACCEPTANCE OF APRIL 2016 FINANCIALS

The next order of business was to accept the April 2016 Financials as presented in the Board Packet and reviewed and recommended by the Finance Committee. Upon motion duly made and seconded, the Board unanimously approved acceptance of the April 2016 Financials as presented.

CALL OF SPECIAL MEETING

The next order of business was to discuss calling a special meeting of the Board to discuss matters relating to real estate. Upon motion duly made and seconded, the Board unanimously approved the calling of a Special Meeting for June 14, 2016 at 5:00 p.m.

BOARD ITEMS

The next order of business was to discuss certain Board items. First, Mr. Friess discussed a recent meeting he had with the School's landlord regarding real estate purchase price. A general discussion ensued. No formal action was taken.

COMMITTEE ITEMS

The next order of business was to discuss committee items. Mr. Zigrino noted that the Policy and Elections Committee had recommended amending policy 515 at its last meeting, to allow the School Student Directory to be shared among parents and staff, subject to parents opting out. Ms. Ross then noted that the Marketing Committee was working on a new email communications plan. No formal action was taken.

COMMUNITY COMMENT

The next order of business was to hear comments from community members. No community members present submitted comments to the Board.

ADJOURNMENT

The next order of business was to discuss the adjournment of the meeting. On motion made and duly seconded, the Board of Directors unanimously approved to adjourn the meeting at approximately 8:25 p.m.

Respectfully submitted,

Kenneth D. Zigrino, Secretary