

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

Held December 12, 2017

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 December 12, 2017 at Parnassus Preparatory School, 11201 96th Street, Maple Grove, Minnesota.

Present at the meeting were directors Greg Friess, Barb Rose, Heather Ross and Ben Ark. Also present from the School was Executive Direction, Ms. Constance Ford (joined after the closed session at 6:02) and Nick Tainter from Bergan KDV.

The meeting was called to order by Mr. Friess at 5:45 p.m. Mr. Friess noted the presence of a quorum.

MISSION STATEMENT

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

APPROVAL OF AGENDA

The next order of business was to approve the Agenda for the meeting included in the Board’s packet circulated prior to the meeting (the “Board Packet”). Upon motion duly made and seconded, the Board unanimously approved the Agenda as presented in the Board Packet.

CLOSED MEETING TO REVIEW CONTRACT FOR EXECUTIVE DIRECTOR

PER MN STATUTE 13D-05 SUBD (3)

Upon motion duly made and seconded the board unanimously approved the closing of the meeting so the board could hold a discussion pertaining to the mid-year evaluation of Ms. Ford, our Executive Director who had waived the right to an open meeting.

REVIEW OF CLOSED MEETING

The next order of business was to open the meeting and summarize the contents of the closed meeting. Mr. Friess opened the meeting at 6:02 pm. Mr. Friess characterized the closed meeting by stating that the Board of Directors unanimously agreed that Ms. Ford continues to perform her duties at an impressive level. Also noted were the following points:

- Salary level is slightly above the mid-point of 2017 MACS Executive Director salary range for schools above 501 students (16 schools)
- Salary is below average 2015 average of comparable charters in our market
- While benefits are above average, the nature of how benefits are reported in form 990 makes them less reliable for comparison
- Total compensation, as reported in form 990s is below the average for comparable charters in the market
- The 1% annual salary increase is less than we are budgeting for the rest of staff over our long-range forecast horizon
- The Board has never given Ms. Ford a performance bonus although that option remains open to us in the future.

Upon motion duly made and seconded, the Board unanimously granted approval to Mr. Friess to finalize the employment contract with our Executive Director, Ms. Ford.

APPROVAL OF CONSENT AGENDA

The next order of business was to open the meeting and 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 certain administrative items. Ms. Ford updated the board on enrollment numbers which are still over the budgeted amount. Applications for next year's enrollment look strong. Ms. Ford informed the board about recent school events such as Mock Trial, Debate club, and 4G Native Tribe presentations. A construction update was given, noting that the major construction is done, but finishing touches are still being checked off the list. No formal action was taken.

COMMITTEE ITEMS

The next order of business was to discuss committee items. Mr. Friess noted that we will have an uncontested board election this year. Mr. Friess and Mr. Ark will keep their seats on the board. The Marketing Committee had no new information to share. Mr. Taintor from Bergan KDV presented the October 2017 financial statements.

ACCEPTANCE OF OCTOBER 2017 FINANCIALS

The next order of business was to accept the October 2017 Financials. Upon motion duly made and seconded, the Board unanimously accepted the October Financial report as reviewed and recommended by the Finance Committee and presented in the board packet.

REVIEW OF CONSTRUCTION BUDGET AND LOAN

The next order of business was to hear from Mr. Taintor about the construction budget in regards to its impact on the general school budget. Mr. Taintor pointed out the that impact was minimal. Discussion was held regarding the timing of either securing a loan now, or waiting until it is needed. No formal decisions were made.

BOARD ITEMS

The next order of business was to discuss the next steps the board will need to take to establish updated policies in regards to fundraising, grant writing, and possibly gifts acceptance policies. Mr. Ark will be outlining a high level document about these policies that the board will review and discuss in February before finalizing. The possibility of getting training about fundraising from the University of St. Thomas is something the board is still considering.

BOOK DISCUSSION

The next order of business was to discuss the book, *84, Charing Crossroad*, a book which the staff read earlier in the year. Ms. Rose lead a discussion of the book.

ADJOURNMENT

The next order of business was to discuss the adjournment of the meeting. On motion made and duly seconded, the Board of Directors unanimously approved to adjourn the meeting at approximately 7:36 p.m.

Respectfully submitted,

Barbara L. Rose, Board Director