

# CLASSICAL ACADEMY

## ESCONDIDO

### Board of Directors Special Meeting

Thursday, November 30, 2017 at 10:00 am  
Classical Academy High School,  
207 E. Pennsylvania Avenue, Escondido, Ca 92025  
Teleconference Number: 760-520-6806 Password: 8505#

### AGENDA

1. Open Public Meeting with Pledge of Allegiance **10:00 am**
2. New Business
  - **The Classical Academy:** Discussion and consideration of approval of board resolution and related bond documents to move forward with bond financing for the construction and/or improvement of school facilities and the refinancing of prior issued bonds for savings not to exceed \$45 million.
  - Discussion and consideration of amendment of the Partnering with Parents LLC Operating Agreement regarding amendment of LLC management structure.
  - Board consideration, discussion and appointment of Partnering with Parents LLC manager.
  - California Dashboard Elements – Jalyn Hall
3. Adjournment of Public Meeting

Board members will be calling in from these locations and the public can fully participate from any of these locations.

- Mark Reardon, Okmulgee Public Schools, 316 E. 8<sup>th</sup> Street, Okmulgee, OK 74447
- Mark Donar, 1357 Crestview Drive, Oceanside, CA 92056
- Patty Huerta, Paul Donovan and Cameron Curry, Classical Academy High, 207 E. Pennsylvania Avenue, Escondido, CA 92025

***“Partnering With Parents For Quality Education”***

***A California Public Charter School Serving North County San Diego Since 1999***  
**Accredited by the Schools Commission of the Western Association of Schools and Colleges WASC**

**AMENDED AND RESTATED OPERATING AGREEMENT**

**OF**

**PARTNERING WITH PARENTS, LLC**

**a California limited liability company**

**THIS AMENDED AND RESTATED OPERATING AGREEMENT** is made effective as of November 30, 2017, by The Classical Academy, Incorporated, a California nonprofit public benefit corporation (the “Initial Member”), and is made with reference to the following:

A. The Initial Member formed a limited liability company under and pursuant to the predecessor to the California Revised Uniform Limited Liability Company Act set forth in sections 17701.01 *et seq.* of the California Corporations Code, as amended from time to time (the “Act”).

B. Articles of Organization for Partnering With Parents, LLC (the “Company”) were filed with the California Secretary of State on April 25, 2013.

C. The Initial Member adopted an Operating Agreement for the Company dated June 4, 2013 (the “Original Operating Agreement”).

D. The Initial Member desires to amend and restate the Original Operating Agreement in its entirety in order to make certain changes in the management of the Company and to make certain other changes, as set forth herein.

**NOW, THEREFORE**, the Initial Member declares the following to be the Amended and Restated Operating Agreement (“Agreement”) of the Company:

**ARTICLE I  
ORGANIZATION**

**1.1 Formation.** The Initial Member has caused the Articles of Organization to be filed with the California Secretary of State, and the formation of the Company shall be effective as of the date of said filing.

**1.2 Name.** The name of the Company shall be “Partnering With Parents, LLC.” The Company shall conduct its business and affairs under said name or such other name as the Sole Member may determine from time to time.

**1.3 Agent for Service of Process.** The name and address for the current agent for service of process on the Company is Cameron M. Curry, 9833 Dogwood Lane, Escondido, California 92026. The Manager may from time to time change the Company’s agent for service of process.

**1.4 Principal Place of Business.** The principal office of the Company shall be located at 207 Pennsylvania Avenue, Escondido, California 92025 or at such other place as the Manager may determine from time to time.

**1.5 Term.** The term of the Company shall commence on the filing of the Articles of Organization with the California Secretary of State and shall continue until the Company is dissolved and wound-up and liquidated pursuant to this Agreement or by operation of law.

**1.6 Purpose.** The Company is organized and will operate:

(a) exclusively to support the charter schools operated by The Classical Academies, Incorporated, a California nonprofit public benefit corporation, and affiliated charter school operators, including Classical Academy High School, Inc., Coastal Academy Charter School, Inc., and Classical Academy, Vista, Inc.;

(b) for the specific purpose of holding title to property, including real and personal property located at 207 East Pennsylvania Ave. Escondido, California 92025, and 144 and 146 Woodward Avenue, Escondido, California 92025 (collectively, the "Property"), managing, operating, leasing and otherwise dealing with the Property and collecting the income therefrom and turning over the entire amount of said income, less expenses, to the Sole Member, which is an organization exempt from federal income tax under Internal Revenue Code § 501(c)(3) and from state corporate tax under California Revenue and Taxation Code § 23701d; and

(c) to do any and all things and to engage in any and all other activities and transactions necessary, convenient, appropriate or incidental to the accomplishment of the foregoing purposes or otherwise for the protection and benefit of the Company.

Notwithstanding the foregoing and any other provisions of this Agreement, the actions, activities and transactions of the Company will be limited to those permitted under California Revenue and Taxation Code § 23701h.

**1.7 Tax Status.** It is the intention of the Sole Member that the Company be disregarded as an entity separate from the Sole Member solely for federal and all relevant state tax purposes. All provisions of the Articles of Organization and this Agreement are to be construed so as to preserve that tax status.

## **ARTICLE II MEMBERSHIP**

**2.1 Admission.** The Initial Member is confirmed as the sole member ("Sole Member") of the Company. The name and address of the Sole Member is listed on Exhibit A attached hereto.

**2.2 Membership Interest.** The Sole Member shall own the sole membership interest in the Company, which includes all rights in the Company collectively, including

the Sole Member's transferable interest, any right to vote or participate in management and any right to information concerning the business and affairs of the Company.

**2.3 Capital Contributions.** The Sole Member may contribute cash or other property to the Company as the Sole Member shall determine from time to time.

**2.4 Limited Liability.** The Sole Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company, except as otherwise provided in the Act.

### **ARTICLE III MANAGEMENT**

#### **3.1 Management.**

3.1.1. The management of the business and assets of the Company shall be vested solely in a single manager (the "Manager") appointed by the Sole Member. The Sole Member shall have the power to remove and replace the Manager from time to time, with or without cause. The Manager shall have the full and sole power and authority to manage, control and conduct the business and affairs of the Company and may exercise all powers of the Company without the need for further approval by the Sole Member or any additional or successor members of the Company. The Sole Member hereby appoints Lori Foster-Perez as the Manager of the Company.

3.1.2. The Manager may appoint a President, a Chief Executive Officer, one or more Vice Presidents, a Secretary, a Chief Financial Officer and such other officers as the Manager may deem necessary or advisable to manage the day-to-day business affairs of the Company (each, an "Officer"), and such Officers shall have the titles, powers and duties as shall be determined by the Manager. The Manager may appoint other persons as authorized signatories to execute agreements, certificates and other documents on behalf of the Company.

3.1.3. Without limiting the foregoing **Paragraphs 3.1.1** and **3.1.2**, the Manager shall have the right, in its sole and absolute discretion, without the consent of the Sole Member, to, or to cause the Company to, as applicable:

(a) take all actions necessary or convenient to the accomplishment of the Company's purposes set forth in **Paragraph 1.6**;

(b) enter into any loan, credit, guarantee or other similar financing arrangements, including the opening, maintaining and closing bank accounts, in order to receive or borrow funds to fulfill the Company's purposes and objectives;

(c) enter into agreements for the purchase, improvement, renovation, lease, or sale of real property, which agreements may include such representations, warranties, covenants, indemnities and guarantees as the Manager deems necessary or advisable;

(d) own, sell, lease, exchange, or otherwise dispose of all, or substantially all, of the Company's property, with or without the goodwill, in or outside the ordinary course of the Company's activities;

(e) mortgage, pledge or otherwise encumber the Company's property;

(f) make and perform such other agreements, undertakings and transfers of property as the Manager deems necessary or advisable; and

(g) except as otherwise provided in Article 10 of the Act, take any other act within or outside the ordinary course of the Company's activities.

**3.2 Meetings.** No annual, regular or special meetings of the Sole Member, the Manager, or Officers are required.

## **ARTICLE IV ALLOCATIONS AND DISTRIBUTIONS**

**4.1 Allocations.** All profits and losses, each item thereof, and all other items attributable to the membership interest shall be allocated to the Sole Member for tax, accounting and all other purposes.

**4.2 Distributions.** At such times as the Manager deems appropriate, the Manager shall cause the Company to distribute cash or other property held by the Company to the Sole Member. Notwithstanding the previous sentence, if for any reason the Company should generate any taxable income resulting in tax liability for the Sole Member, the Manager shall cause the Company to make timely cash distributions to the Sole Member in such amounts as are sufficient to enable the Sole Member to make tax payments as they fall due, and shall promptly indemnify and hold the Sole Member harmless from and against any penalties and interest accruing by reason of failure to make timely cash distributions. The Company shall turn over the entire amount of its income, less expenses, to the Sole Member periodically.

## **ARTICLE V COMPANY ADMINISTRATION**

### **5.1 Books and Records.**

5.1.1. The books and records of the Company shall be kept and maintained at the Company's principal office in California, shall reflect all of the Company transactions, and shall be appropriate and adequate for the Company's business.

5.1.2. Without limiting the requirements set forth in **Paragraph 5.1.1**, the Company shall maintain at its principal office in California all of the following:

(a) A current list of the full name and last known business or residence address of the Sole Member, together with the capital contribution and share in profits or losses of the Sole Member;

(b) A copy of the Articles of Organization, as amended from time to time;

(c) Copies of the Company's Federal, state and local income tax or information returns and reports, if any, for the six (6) most recent taxable years;

(d) Executed counterparts of this Agreement, as amended;

(e) Any powers of attorney under which the Articles of Organization or any amendments thereto are executed;

(f) Financial statements of the Company for the six (6) most recent fiscal years; and

(g) The books and records of the Company as they relate to the Company's internal affairs for the current and past four (4) fiscal years.

**5.2 Accounting.** Books and records of the Company shall be kept on the method of accounting selected by the Manager and applied on a consistent basis in the preparation of its financial reports and for tax purposes. The taxable and fiscal years of the Company shall coincide with the taxable and fiscal years of the Sole Member.

**5.3 Banking.** All funds of the Company shall be deposited in the name of the Company in one or more distinct separate accounts with one or more recognized financial institutions and at such locations, all as shall be determined by the Manager. Any withdrawal from such accounts shall require the signature of the Manager or such other person or persons authorized to do so by the Manager.

**5.4 Assets.** All assets of the Company, whether real or personal, shall be held in the name of the Company.

## **ARTICLE VI TRANSFERS**

**6.1 Transfers.** The Sole Member may assign, sell, gift, transfer or otherwise dispose of ("Transfer") all or any part of its membership interest in the Company, including only all or any part of its transferable interest in the Company, at any time (the transferee hereinafter referred to as "Permitted Transferee"). A Permitted Transferee of membership in the Company shall become a substituted member automatically upon such assignment.

**6.2 Duties of Substituted Member.** Any person admitted to the Company as a substituted member shall be subject to all of the provisions of this Agreement that apply to the Sole Member from whom the membership interest was assigned.

**6.3 Division of Allocations and Distributions.** If any membership interest, or part thereof, is assigned during any fiscal year in compliance with the provisions of this Article VI, profits, losses, each item thereof and all other items attributable to such

membership interest for such fiscal year shall be divided and allocated between the transferor and the transferee by taking into account their varying membership interests during the period in accordance with section 706(d) of the Internal Revenue Code of 1986, as amended, using any convention permitted by law selected by the Manager. All distributions on or before the date of such assignment shall be made to or for the account of the transferor, and all distributions thereafter shall be made to or for the account of the transferee. Solely for purposes of making such allocations and distributions, the Company shall recognize such assignment not later than the end of the calendar month during which the assignment occurs. None of the Company, the Sole Member, or the Manager shall incur any liability for making allocations and distributions in accordance with the provisions of this Paragraph 6.3.

**6.4 Rights of Transferee of Transferable Interest.** A transferee of a transferable interest has the right to receive, in accordance with the transfer, distributions to which the transferor would otherwise be entitled; provided, however, that the pledge or granting of a security interest, lien, or other encumbrance in or against any or all of the transferable interest of a transferor shall not cause the transferor to cease to be a member or grant to the transferee or to anyone else the power to exercise any rights or powers of a member, including, without limitation, the right to receive distributions to which the member is entitled.

## **ARTICLE VII INDEMNIFICATION**

To the extent of Company assets, the Company agrees to defend each member, manager, officer, and authorized signatory of, and each entity controlling, or directly or indirectly related to, the Company (each, an "Affiliate"), including, without limitation, any director, officer, employee, or agent of any member, manager, officer or Affiliate acting on behalf of the Company (each, an "Indemnatee" and, collectively, the "Indemnitees"), against all claims or demands arising from the acts or omissions of the Company and agrees to indemnify and hold each of the foregoing harmless against all liabilities, losses, damages, expenses, costs or any other economic detriment suffered, paid, or incurred, foreseen or unforeseen, arising from any claim, demand, action, suit or proceeding, whether civil, criminal, administrative, or investigative, or whether threatened, pending or completed, which pertain to any Indemnatee, as described above, in such capacity, arising from the acts or omissions of the Company, to the fullest extent permitted by applicable law in effect on the date hereof and to such greater extent as applicable law may hereafter from time to time permit. No member shall be subject to personal liability or be required to fund or cause to be funded any obligation of the Company described in this Article VII.

## **ARTICLE VIII DISSOLUTION**

**8.1 Events of Dissolution.** The Company shall dissolve upon the earliest to occur of:

- (a) the decision of the Sole Member;

(b) the entry of a decree of judicial dissolution under section 17707.03 of the California Corporations Code.

**8.2 Winding Up.** Upon dissolution of the Company, the Company shall engage in no further business other than that necessary to wind up the business and affairs of the Company. The Manager shall wind up the affairs of the Company and give written notice of the commencement of winding up by mail to all known creditors and claimants against the Company whose addresses appear in the records of the Company. After paying or adequately providing for the payment of all known debts of the Company, including, without limitation, debts and liabilities to the Sole Member as a creditor of the Company, the remaining assets of the Company shall be distributed to the Sole Member.

## **ARTICLE IX GENERAL**

**9.1 Amendment.** This Agreement may be amended only in a writing signed by the Sole Member.

**9.2 Binding Agreement.** Subject to any restrictions on transfers set forth in this Agreement, this Agreement shall inure to the benefit of and be binding upon the Sole Member and its respective legal representatives, successors, and Permitted Transferees.

**9.3 Headings.** The article and paragraph headings are included in this Agreement solely for convenience of reference and in no way describe, define, limit, extend or interpret the scope, intent or extent of this Agreement, or any provision hereof. If there is any conflict between such headings and the text of this Agreement, the text shall control.

**9.4 Number and Gender.** Unless the context clearly indicates otherwise, the singular shall include the plural and vice versa. In all cases the masculine gender shall include the neuter and feminine genders and vice versa.

**9.5 Severability.** If any provision of this Agreement or the application thereof to any "person" (as defined in the Act) or circumstance shall be held invalid or unenforceable to any extent, the remainder of this Agreement, or the application of such provisions to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and the intent of this Agreement shall be enforced to the greatest extent permitted by law.

**9.6 References to this Agreement.** Numbered or lettered articles and paragraphs herein contained refer to articles and paragraphs of this Agreement unless otherwise expressly stated.

**9.7 Parties in Interest.** Except as otherwise expressly provided in this Agreement, nothing contained in this Agreement shall be deemed to confer any right or benefit on any person who is not a party to this Agreement.



**9.8 Other Businesses.** The Sole Member, any Affiliate, any officer, director, or employee of the Sole Member or of any Affiliate or and any other person holding a legal or beneficial interest in the Sole Member or Affiliate (collectively, the "Interested Parties") may engage in or conduct any business, investment, profession or other activity it chooses, whether or not the same is competitive with the Company, without any accountability to the Company and without having or incurring any obligation to offer any interest in such business, investment, profession or other activity to the Company. The Company shall have no right by virtue of this Agreement in and to any such business, investment, profession or other activity or to the income or profits arising therefrom, nor shall the Sole Member be required to permit the Company to participate in such business, investment, profession or activity. Except as expressly provided in this Agreement, each Interested Party shall have no fiduciary obligation to the Company by virtue of this Agreement to submit to the Company any business opportunity, whether or not such opportunity arose from its activities with respect to the Company.

**9.9 Entire Agreement.** This Agreement constitutes the entire agreement with respect to the subject matter of this Agreement. This Amended and Restated Operating Agreement amends and restates the Original Operating Agreement in its entirety.

**9.10 Exhibits.** Any exhibits referred to in this Agreement are incorporated by reference into this Agreement and made a part hereof.

**9.11 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one agreement binding on the parties hereto, notwithstanding that all of the parties are not signatories to the same counterpart.

**9.12 Governing Law.** The laws of the State of California (without regard to otherwise governing principles of conflicts of law or choice of law) shall govern the validity of this Agreement, the construction of its terms, and the interpretation and enforcement of the rights and duties of the parties hereof.

**IN WITNESS WHEREOF**, the Initial Member has executed this Agreement effective the day and year first set forth above.

**INITIAL MEMBER:**

**THE CLASSICAL ACADEMY,  
INCORPORATED**

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

**CONSENTS OF MANAGER**

The undersigned consents to the foregoing and accepts the undersigned's appointment as Manager of the Company.

Dated: \_\_\_\_\_

\_\_\_\_\_,  
Lori Foster-Perez, Manager

## **EXHIBIT A**

Sole Member

The Classical Academy, Incorporated  
157 E Valley Parkway, Suite 201  
Escondido, CA 92025

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**AMENDED AND RESTATED OPERATING AGREEMENT**  
**OF**  
**PARTNERING WITH PARENTS, LLC**  
**a California limited liability company**

**THE CLASSICAL ACADEMY, INCORPORATED**  
**RESOLUTIONS OF THE BOARD OF DIRECTORS**  
**(Approval of 2017 Bond Financing Transaction)**

**WHEREAS**, The Classical Academy, Incorporated, a California nonprofit public benefit corporation (“TCA” or the “Corporation”), is organized for charitable purposes;

**WHEREAS**, Classical Academy High School, Inc., a California nonprofit public benefit corporation (“CAHS”), is organized for charitable purposes;

**WHEREAS**, TCA formed and is the sole member of Partnering With Parents, LLC, a California limited liability company (the “Borrower” or the “Member”);

**WHEREAS**, TCA operates the public charter school known as The Classical Academy (the “Elementary School”) in part on real property commonly known as 144 and 146 Woodward Avenue, Escondido, California (the “Woodward Property”);

**WHEREAS**, TCA leases the Woodward Property from the Borrower pursuant to a School Facilities Lease Agreement dated as of September 1, 2013, (the “School Facilities Lease”) by and among the Borrower, TCA and CAHS;

**WHEREAS**, CAHS operates the public charter school known as Classical Academy High School (the “High School” and, together with the Elementary School, the “Schools”) on real property commonly known as 207 East Pennsylvania Ave. Escondido, CA 92025 (the “Pennsylvania Property”);

**WHEREAS**, CAHS leases the Pennsylvania Property from the Borrower pursuant to the School Facilities Lease;

**WHEREAS**, the Borrower financed the costs of the acquisition, construction, expansion, rehabilitation, renovation, furnishing and equipping of the Woodward Property and the Pennsylvania Property from the proceeds of California School Finance Authority Charter School Revenue Bonds (Classical Academies Project), Series 2013A (the “Refunded Bonds”);

**WHEREAS**, TCA, CAHS, and the Borrower propose that the Borrower will refund the Refunded Bonds in order to lower the Borrower’s financing costs and that the Borrower will pass the costs savings on to TCA and CAHS in the form of lower rent for their use of the Woodward Property and the Pennsylvania Property, respectively;

**WHEREAS**, the California School Finance Authority (the “Issuer”) proposes to issue its California School Finance Authority Charter School Revenue Bonds (Classical Academies Project) Series 2017A and California School Finance Authority Charter School Revenue Bonds (Classical Academies Project) Series 2017B (Taxable) (collectively, the “Bonds”) in an aggregate principal amount not to exceed \$45,000,000 pursuant to an Indenture (the “Indenture”)

dated as of December 1, 2017 by and between the Issuer and Wells Fargo Bank, National Association, as trustee thereunder (the "Bond Trustee");

**WHEREAS**, RBC Capital Markets, LLC (the "Underwriter") proposes to underwrite the Bonds pursuant to a bond purchase agreement (the "Bond Purchase Agreement"), by and among the Underwriter, the Honorable John Chiang, Treasurer of the State of California, as agent for sale on behalf of the Issuer, the Issuer, the Borrower, TCA, and CAHS;

**WHEREAS**, the Issuer proposes to make a loan (the "Loan") of the proceeds of the Bonds to the Borrower pursuant to the terms of (i) the Indenture, (ii) a Loan Agreement (the "Loan Agreement") between the Issuer and the Borrower, (iii) a Master Indenture of Trust (the "Master Indenture"), by and among the Borrower, as the initial obligated group representative (the "Obligated Group Representative"), the Member, as the initial member of the obligated group (the "Obligated Group"), and Wells Fargo Bank, National Association, as master trustee (the "Master Trustee"), as amended by a Supplemental Master Indenture for Obligation No. 1 (the "Supplemental Master Indenture"), by and between the Obligated Group Representative and the Master Trustee, and (iv) an Obligation No. 1 ("Obligation No. 1") issued by the Obligated Group Representative to the Bond Trustee;

**WHEREAS**, TCA, CAHS, and the Borrower propose that the Borrower will accept the Loan and that the Borrower will use the proceeds of the Loan to (1) finance and/or refinance the costs of acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and/or equipping of educational facilities located at the Woodward Property and the Pennsylvania Property (collectively, the "Project"), including by refunding the Refunded Bonds, (2) pay certain expenses incurred in connection with the issuance of the Bonds, and (3) fund all or a portion of a debt service reserve fund;

**WHEREAS**, TCA, CAHS, and the Borrower propose to secure or support the obligations of the Borrower by (i) a lien on the Woodward Property, the Pennsylvania Property and related personal property pursuant to the terms of a Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing (the "Deed of Trust") executed by the Borrower for the benefit of the Master Trustee and (ii) an intercept of portions of each School's general purpose apportionment by the State Controller or another state agency of the State of California pursuant to Section 17199.4(a)(1) of the Education Code of the State of California (collectively, the "Intercept");

**WHEREAS**, TCA, CAHS, and the Borrower propose to replace the School Facilities Lease with a new lease of the Woodward Property (the "Woodward Lease") by and between the Borrower and TCA and a separate new lease of the Pennsylvania Property by and between the Borrower and CAHS (the "Pennsylvania Lease" and, together with the Woodward Lease, the "Leases") will provide for the payment of base rent and additional rent payments sufficient to satisfy the Borrower's obligations under the Loan Agreement, Obligation No. 1, and all other obligations of the Borrower arising from the foregoing transactions and agreements, as well as for the payment of all costs and expenses of the ownership, operation, maintenance, repair, replacement, and insurance of the leased properties;



**WHEREAS**, in connection with the foregoing, TCA and CAHS may be required to pledge the revenues or other assets of the Schools to secure the obligations of the Schools under the Leases;

**WHEREAS**, the Board of Directors of the Corporation (the "Board") has reviewed proposed forms of the documents and agreements listed on Schedule 1 attached hereto (collectively, the "Primary Transaction Documents");

**WHEREAS**, the Board finds that the terms of the foregoing transactions (collectively, the "Transactions"), including the Woodward Lease, are fair and reasonable as to the Corporation and the Elementary School under the circumstances, in the best interest of the Corporation, and in furtherance of the charitable purposes of the Corporation; and

**WHEREAS**, the Board desires that TCA, CAHS, 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 of the Primary Transaction Documents to which the Corporation is a party and all such other documents, instruments and agreements as may be necessary or advisable to facilitate the Transactions (collectively with the Primary Transaction Documents, the "Transaction Documents");

**RESOLVED FURTHER**, that the Board requests the Borrower to take all actions necessary or advisable to facilitate the Transactions;

**RESOLVED FURTHER**, that the Board hereby approves, confirms, and ratifies the election or appointment of the following individuals to the offices of the Corporation set forth after their names:

Mark Reardon	President
Cameron Curry	Executive Director
Paul Donovan	Secretary
Patty Huerta	Treasurer

**RESOLVED FURTHER**, that the Board appoints and the officers of the Corporation, 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;

**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, 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 purchase and sale agreements, escrow agreements, bond purchase agreements, indentures, loan agreements, promissory notes, leases, deeds of trust, security agreements, account control agreements, subordination, non-disturbance and attornment agreements, tax certificates, offering memoranda, 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, pursuant to Section 17199.4(a)(1) of the Education Code of the State of California, the Board hereby elects to participate in the Intercept to secure payment of the principal of and interest on the Bonds in amounts not exceeding the amounts due from the Elementary School under the Woodward Lease, and the Authorized Signatories, and each of them individually, are authorized and directed, for and in the name and on behalf of the Corporation, to provide notice to the State Controller of the State of California or other applicable state agency of the State of California of such election of the Board;

**RESOLVED FURTHER**, that the Board hereby ratifies and confirms the acts of the officers, agents or employees of the Corporation taken on behalf of the Corporation 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 hereby authorized and directed, for and in the name and on behalf of the Corporation, 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 Classical Academy, Incorporated (the "Corporation"), a California nonprofit public benefit corporation, and that the foregoing Resolutions were duly adopted by the majority vote of the directors of the Corporation then in office at a meeting of the board of directors of the Corporation duly held on November 30, 2017, in compliance with the bylaws of the Corporation, in compliance with the notice, agenda, and open meeting requirements of the Ralph M. Brown Act, and while a quorum was present.

**IN WITNESS WHEREOF**, I have hereunto set my hand as Secretary of the Corporation this 30th day of November 2017.

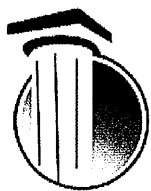
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Paul Donovan, Secretary

## **Section 1**

### **Primary Transaction Documents**

1. The Bond Purchase Agreement.
2. The Master Indenture.
3. The Supplemental Master Indenture.
4. The Obligation No. 1.
5. The Indenture.
6. The Bonds.
7. The Loan Agreement.
8. The Woodward Lease.
9. The Pennsylvania Lease.
10. A Continuing Disclosure Agreement among the Borrower, TCA, CAHS, and the Bond Trustee, as dissemination agent.
11. A form of Limited Offering Memorandum that has been prepared to furnish information with respect to the sale and delivery of the Bonds.



# THE CLASSICAL ACADEMIES

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## Board Report California School Dashboard

### Background:

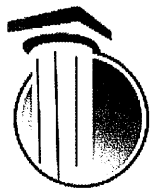
Based on the Local Control Funding Formula (LCFF), which was passed in 2013, California has a new accountability system that is based on multiple measures. These measures are used to determine local educational agency (LEA) and school progress toward meeting the needs of their students. The measures are based on factors that contribute to a quality education, including high school graduation rates, college/career readiness, student test scores, English learner (EL) progress, suspension rates, and parent engagement.

The sweeping overhaul of California's Accountability and Continuous Improvement System, ushered in with the 2013 passage of the LCFF, not only gives California a chance to address historical inequities, but provides the California Department of Education an opportunity to address and update the way they engage and work with one another to better support California's schools and the students they serve.

Performance on these multiple measures will be reported through the new California School Dashboard. The new accountability system reflects a clear expectation that all LEAs and schools can and should improve and emphasizes equity by focusing on student group performance. This new multiple measures system replaces the former Academic Performance Index (API), which was based solely on testing results, and the federal requirement to calculate Adequate Yearly Progress (AYP).

LEA and school performance in the following ten LCFF priority areas are measured using a combination of state and local indicators.

1. Basic Services and Conditions at schools
2. Implementation of State Academic Standards
3. Parent Engagement
4. Student Achievement
5. Student Engagement
6. School Climate
7. Access to a Broad Course of Study
8. Outcomes in a Broad Course of Study
9. Coordination of Services for Expelled Students
10. Coordination of Services for Foster Youth



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## **Report:**

Local Education Agencies (LEA), including charter public schools, must report on their California School Dashboard local indicators by December 1, 2017. Charter schools must report on the following priorities: Basic Services, Implementation of State Standards, Parent Engagement, and School Climate (suspension, expulsions, etc.).

There are three performance levels for ranking progress on these priorities: Met, Not Met, and Not Met for two or more years. LEAs, including charter public schools, must measure their progress annually on these priorities and report the progress at a regularly scheduled meeting of the Board. They do not require Board approval, and meeting minutes should indicate these were discussed and reported. If this data is not entered by the December 1st cutoff indicators will automatically show as "Not Met" on the dashboard. Currently The Classical Academy, Coastal Academy, and Classical Academy High School all report as "Met".

Some of the indicators are reported straight from data we submit to the state, like the suspension, expulsion, test scores, EL performance, etc. Charter public schools, must self report on the following California School Dashboard local indicators by December 1, 2017.

1. Basic Services
2. Implementation of State Standards
3. Parent Engagement
4. School Climate.

Other indicators are reported directly to the dashboard through our data submission to the state, such as achievement scores, suspensions, and expulsions.

There are three performance levels for ranking progress on these priorities:

## **Action Required by the Board:**

This is an informational update and the Board requires no action on this item.

Cameron Curry  
Executive Director

November 17, 2017