**Ballard Third Draft**

**August \_\_\_, 2023**

**APPENDIX A**

**THE COMPANY, THE CHARTER SCHOOL, AND THE FACILITIES**

TABLE OF CONTENTS

Page

[INTRODUCTION A-1](#_Toc142039760)

[MISSION, VISION, AND HISTORY A-1](#_Toc142039761)

[Mission A-2](#_Toc142039762)

[Vision A-2](#_Toc142039763)

[Values A-2](#_Toc142039764)

[Focus A-2](#_Toc142039765)

[History A-3](#_Toc142039766)

[THE CHARTER CONTRACT AND THE AUTHORIZER A-3](#_Toc142039767)

[Charter Contract A-3](#_Toc142039768)

[Authorizer A-3](#_Toc142039769)

[THE COMPANY A-4](#_Toc142039770)

[GOVERNANCE; ADMINISTRATION; FACULTY; AND FACULTY RETENTION A-5](#_Toc142039771)

[Governance A-5](#_Toc142039772)

[Board](#_Toc142039773)[Members A-6](#_Toc142039773)

[Administration A-7](#_Toc142039774)

[Business Manager A-7](#_Toc142039775)

[Special Education Services A-8](#_Toc142039776)

[Faculty A-8](#_Toc142039777)

[Teacher Retention A-8](#_Toc142039778)

[Benefits A-9](#_Toc142039779)

[Teacher Employment Status A-9](#_Toc142039780)

[Staffing for Expansion A-9](#_Toc142039781)

[Parent Involvement A-9](#_Toc142039782)

[Parent Volunteers A-9](#_Toc142039783)

[EDUCATIONAL PROGRAM A-10](#_Toc142039784)

[Educational Philosophy A-10](#_Toc142039785)

[State and National Achievements and Recognitions A-10](#_Toc142039786)

[Curriculum A-11](#_Toc142039787)

[Differentiated Instruction A-11](#_Toc142039788)

[Curriculum: Wonders Reading Curriculum A-11](#_Toc142039789)

[Math A-12](#_Toc142039790)

[Service Learning Projects A-12](#_Toc142039791)

[Extracurricular Activities A-13](#_Toc142039792)

[Panthers Activities Club A-13](#_Toc142039793)

[COVID-19 Impacts on Curriculum A-13](#_Toc142039794)

[THE FACILITIES AND THE SERIES 2023 PROJECT A-14](#_Toc142039795)

[Original School Facility A-14](#_Toc142039796)

[Series 2023 Project A-14](#_Toc142039797)

[Construction of the Series 2023 Facility A-15](#_Toc142039798)

[Floor Plan A-17](#_Toc142039799)

[Environmental Reports A-17](#_Toc142039800)

[Development Consultant A-17](#_Toc142039801)

[Marketing and Recruitment A-17](#_Toc142039802)

[ENROLLMENT, DEMOGRAPHICS AND TRANSPORTATION A-18](#_Toc142039803)

[Historical and Current Enrollment A-18](#_Toc142039804)

[Future Enrollment Projections A-19](#_Toc142039805)

[Minimal Waitlist A-19](#_Toc142039806)

[Student Demographics A-20](#_Toc142039807)

[Student Retention A-21](#_Toc142039808)

[Transportation A-21](#_Toc142039809)

[SERVICE AREA A-21](#_Toc142039810)

[COMPETING SCHOOLS A-21](#_Toc142039811)

[ACADEMIC ACHIEVEMENT INDICATORS A-22](#_Toc142039812)

[MCA Analysis – Additional Notes A-24](#_Toc142039813)

[NWEA Results A-25](#_Toc142039814)

[DEMOGRAPHICS OF ST. CLOUD, MINNESOTA A-26](#_Toc142039815)

[Population A-26](#_Toc142039816)

[Education A-27](#_Toc142039817)

[STATE AID PAYMENTS A-27](#_Toc142039818)

[BUDGET; ACCOUNTING; AND DEBT A-27](#_Toc142039819)

[Budgeting and Accounting A-27](#_Toc142039820)

[Payroll Protection Program Forgivable Loan A-28](#_Toc142039821)

[CARES Act Funding and Additional Funding A-28](#_Toc142039822)

[Historical Financial Data A-29](#_Toc142039823)

[Summary of Financial Statements and Projections A-29](#_Toc142039824)

[Line of Credit A-29](#_Toc142039825)

[Existing Debt and Obligations A-29](#_Toc142039826)

[Investment Policies A-30](#_Toc142039827)

[Fundraising A-30](#_Toc142039828)

[NO LITIGATION A-30](#_Toc142039829)

APPENDIX A

**THE COMPANY, THE SCHOOL AND THE FACILITIES**

# INTRODUCTION

STRIDE Academy (the “Charter School”) is a tuition-free public charter school and a Minnesota nonprofit corporation that will begin its nineteenth year of operation in the 2023-2024 school year. The Charter School was incorporated as a Minnesota corporation on April 8, 2004, is organized pursuant to Minnesota Statute Chapter 124E, as amended (the “Charter School Act”), and is a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”). The Charter School received its IRS Determination Letter on November 16, 2005.

The Charter School has experienced consistent growth in enrollment throughout its existence. The Charter School opened for the 2005-2006 school year with an initial enrollment of 160 students in grades K-5. The Charter School has continued to grow and expand and as of August 1, 2023, the Charter School has approximately 626 students enrolled at the Charter School in grades K-8 for the 2023-2024 school year. See “MISSION, VISION, AND HISTORY – History” in this Appendix A.

The Charter School operates pursuant to a charter contract effective July 1, 2021 (the “Charter Contract”) between the Charter School and its Authorizer, Pillsbury United Communities (the “Authorizer”). The current Charter Contract has a four-year term that will expire on June 30, 2025. The Charter School was previously authorized by Friends of Education and in 2014 received a corrective renewal letter from Friends of Education. In 2016, the Charter School received a notice of non-renewal from Friends of Education. After receipt of the notice of non-renewal from Friends of Education, the Charter School decided to transition from Friends of Education to its current Authorizer due to a difference in priorities and values between the Charter School and Friends of Education. The Charter School’s Board of Directors selected the current Authorizer because it believes the Authorizer shares the same values and educational goals as the Charter School and would support the Charter School’s mission and provide inclusive, high-quality education to all of its students. See “THE CHARTER CONTRACT AND THE AUTHORIZER” in this Appendix A.

The Charter School currently operates from its facility located at 3241 Oakham Lane in St. Cloud, Minnesota (the “Original School Facility”) serving students in grades K-8. The Charter School leases the Original School Facility from STRIDE Academy Building Company (the “Company”), a Minnesota nonprofit corporation and 501(c)(3) organization, pursuant to the Lease Agreement, dated as of April 1, 2016 (the “2016 Lease”). The Company is organized as an affiliated building company under Minnesota Statutes Section 124E.13, subdivision 3 and, as such, is a supporting organization to the Charter School, as defined in the Code. In connection with the issuance of the Series 2023 Bonds, the Charter School and the Company will enter into a Lease Agreement, dated as of August 1, 2023 (as amended, the “Lease”), pursuant to which the Charter School will lease the Facilities (defined below).

Proceeds of the Series 2023 Bonds, along with funds of the Company, will be used by the Company to: (i)(a) pay and discharge the outstanding indebtedness of the Company, and thereby refinancing the acquisition of two parcels of land adjacent to the Original School Facility (the “Adjacent Land”), and (b) finance certain site improvements to the Adjacent Land, construction of an approximately 14,686 square foot expansion of the Original School Facility on the Adjacent Land (the “Series 2023 Facility,” and together with the Original School Facility, the “Facilities”), and renovation of the Original School Facility for continued use by the Charter School as a public charter school for students in grades K-8; (ii) fund a debt service reserve fund to secure payment of the Series 2023 Bonds; and (iii) pay the costs of issuing the Series 2023 Bonds.

# MISSION, VISION, AND HISTORY

The Charter School is an official *Leader In Me School,* focusing on Stephen Covey’s *7 Habits of Highly Effective People* to assure all students develop the 21st century leadership skills outlined in *P21’s Framework for 21st Century Learning*, in particular the Life and Career Skills. The focus on leadership and life and career skills within *The 7 Habits of Highly Effective People* also allows the Charter School’s students to develop the skills outlined on the Minnesota Department of Education (“MDE”) website, where all students should be “prepared to move successfully from middle school to high school and into an increasingly wide array of postsecondary options.” Finally, the Charter School is a Core Knowledge school. The Core Knowledge philosophy, developed by E.D. Hirsch, allows for a set of clear expectations and develops common language for students, families, and staff. The set of expectations within Core Knowledge provides a well thought out sequenced set of skills and content. This set of focused and influential common knowledge provides advantages for both students and members of their families to become highly productive people living in the United States. See “EDUCATIONAL PROGRAM – Curriculum” and “– Educational Philosophy” in this Appendix A.

STRIDE is an acronym representing the core of the Charter School’s philosophy:

**S**tudents and

**T**eachers

**R**eaching

**I**ndividual

**D**reams through

**E**ducation

## Mission

The Charter School has adopted the following Mission statement:

*STRIDE Academy nurtures individuals while fostering leadership and empowering students to attain their highest potential in a family-centered environment.*

## Vision

The Charter School has adopted the following Vision statement:

*STRIDE Academy’s vision is to offer a public charter school that is highly regarded for its approach to the whole child, for its academic excellence, and for its contribution in actively serving and improving the community..*

## Values

The Charter School’s Strategic plan outlines the following values:

* Compassion
* Integrity
* Excellence
* Equity
* Honesty
* Respect

## Focus

In 2018, the Board (defined herein) adopted the following strategic focus areas:

* Academic Excellence
* Whole Child
* School Community
* Lifelong Learning
* Fiscal Responsibility

## History

The Charter School is organized pursuant to the Charter School Act and was incorporated as a Minnesota nonprofit corporation in 2004 and was the first public charter school in the St. Cloud, Minnesota (the “City”) area. The Charter School opened for the 2005-2006 school year with an initial enrollment of 160 students in grades K-3 at a leased facility located at 1025 North 18th Street in the City (the “North Campus”). In 2006 the Charter School expanded to 226 students in grades K-5 at the North Campus. In 2010 the Charter School leased the approximately 20,354 square foot facility located at 3241 Oakham Lane in the City (the “South Campus”) from A&T Stride Investments, LLC (“South Campus Landlord”) and moved students in grades 5-8 to the South Campus. As the Charter School continued to grow, in 2011 the Charter School added an additional 6,984 square feet to the South Campus, and again in 2013 added an additional 5,112 square feet to the South Campus. By the end of the 2014 Fiscal Year, the Charter School had two buildings: (1) a North Campus comprised of 27,394 square feet and (2) a South Campus comprised of 32,450 square feet with a total enrollment of 514 students in grades K-8 for the 2013‑2014 school year.

Prior to the 2015-2016 school year, the [South Campus Landlord] [Charter School] constructed an approximately 39,350 square foot addition to the South Campus to accommodate the growth of the Charter School, which resulted in the South Campus consisting of a total of approximately 71,800 square feet, for students in grades K-8. In 2016, the City issued its (i) Charter School Lease Revenue Bonds (STRIDE Academy Project), Series 2016A (the “Series 2016A Bonds”), and (ii) Taxable Charter School Lease Revenue Bonds (STRIDE Academy Project), Series 2016B (the “Series 2016B Bonds,” and together with the Series 2016A Bonds, the “Series 2016 Bonds”), and loaned the proceeds thereof to the Company to finance the purchase of the South Campus and the Company leased the South Campus to the Charter School pursuant to the Lease. Students located at the North Campus were moved to the South Campus to serve all students in grades K-8 on one campus. In 2022, the Company purchased two parcels of land adjacent to the Original School Facility to provide for outdoor play space and expansion.

The 2022-2023 school year marked the Charter School’s 18th school year, during which the Charter School served approximately 575 students in grades K-8.

# THE CHARTER CONTRACT AND THE AUTHORIZER

## Charter Contract

The Charter School currently operates pursuant to the Charter Contract between the Charter School and the Authorizer (Pillsbury United Communities). The current Charter Contract with the Authorizer is effective July 1, 2021 for a term of four years, expiring on June 30, 2025. Prior to July 1, 2021, the School had been authorized by Friends of Education. In 2014 the Charter School received a corrective renewal letter from Friends of Education. In 2016, the Charter School received a notice of non-renewal from Friends of Education. After receipt of the notice of non-renewal from Friends of Education, the Charter School decided to transition from Friends of Education to its current Authorizer due to a difference in priorities and values between the Charter School and Friends of Education. The Charter School’s Board of Directors selected the current Authorizer because it believes the Authorizer shares the same values and educational goals as the Charter School and would support the Charter School’s mission and provide inclusive, high-quality education to all of its students. The Charter Contract authorizes the Charter School to educate students in grades K‑8.

The Charter School believes that it is in substantial compliance with all contractual provisions and requirements of the Charter Contract, as well as all relevant laws (including the Charter School Act), ordinances, and regulations. The Charter School has not received any notice of noncompliance from any agency which would affect its ability to enter into the transactions contemplated by the Series 2023 Bonds, the Loan Agreement, the Pledge Agreement or the Lease.

## Authorizer

In 2009, the State of Minnesota (the “State”) enacted new legislation concerning the oversight of public charter schools. Among other things, the prior system of school “sponsors” was changed to the current system of school “authorizers”. The process for becoming an authorizer is more rigorous than the former process to be a sponsor, and the oversight required of an authorizer is significantly more intensive. Each authorizer goes through an extensive review and approval process by the MDE.

As the Charter School’s authorizer, the Authorizer is responsible for oversight of the Charter School’s fiscal management and academic acceptability. The Authorizer may terminate the Charter Contract (after 90 days’ notice and opportunity to cure) for (i) any violation by the Charter School of the Charter Contract; (ii) any violation of State, federal or local laws, ordinances or rules or regulations by the Charter School; (iii) a failure by the Charter School to prepare its audited financial statements in accordance with generally accepted accounting principles; or (iv) conditions at the Facilities which threaten the health, safety, or welfare of the students or staff of the Charter School or the general public. See “BONDHOLDERS’ RISKS – Non-Renewal or Termination of Charter Contract by Authorizer” in this Official Statement.

The Authorizer currently authorizes eighteen (18) charter schools (including the Charter School) in the State, as shown on the table below:

**Charter Schools Authorized by the Authorizer**

|  |  |  |
| --- | --- | --- |
| **School** |  | **Location** |
| El Colegio Charter School |  | Minneapolis |
| Friendship Academy of Arts |  | Minneapolis |
| Gateway STEM Academy |  | Burnsville |
| High School for Recording Arts |  | St. Paul |
| Horizon Science Academy Twin Cities |  | Richfield |
| Jennings Community School |  | St. Paul |
| LoveWorks Academy for Visual & Performing Arts |  | Minneapolis |
| Midway Star Academy |  | St. Paul |
| Minnesota Internship Center Charter High School |  | St. Paul |
| Minnesota Math & Science Academy |  | St. Paul |
| Minnesota Online High School |  | St. Paul |
| Minnesota Transitions Charter School |  | Minneapolis |
| Rochester Math and Science Academy |  | Rochester |
| Sojourner Truth Academy |  | Minneapolis |
| Stonebridge World School |  | Minneapolis |
| STRIDE Academy |  | St. Cloud |
| Twin Cities International Schools |  | Minneapolis |
| Ubah Medical Academy |  | Hopkins |

In 2015 and 2020, the Authorizer successfully completed the Minnesota Authorizer Performance Evaluation System (MAPES) enabling the organization to continue to authorize charter schools. The MAPES occurs every five years, with the next State evaluation of the Authorizer set to occur in 2025. **[Authorizer to confirm evaluation approvals by MDE]**

The Authorizer’s mission is to authorize schools that offer innovative, challenging, authentic and equitable learning opportunities to students who have not been successful in traditional learning settings or who have been underserved educationally. The Authorizer has been a partner and resource within Minnesota and nationally regarding turnaround practices and providing underserved students with innovative access entries to education. This work aligns with the Authorizer’s broader mission to be community builders who co-create enduring change toward a just society.

The Authorizer requires each of its schools to strictly comply with all legal obligations, including strict adherence to the public meeting laws applicable to charter school boards of directors. Under the Charter Contract and applicable State law, the Charter School has flexibility to develop and use new, different, or alternative teaching methods for forms of measuring student learning and achievement, and educational visions and goals. In exchange, the Charter School is held accountable to performance outcomes and measures.

# THE COMPANY

In accordance with State law, Minnesota charter schools cannot purchase facilities using state funds. For this reason, most Minnesota charter schools lease their facilities. Minnesota charter schools receive lease aid money and general education revenue from the State to pay such leases.

Under Minnesota Statutes, Section 124E.13, subdivision 3, charter schools may, subject to certain conditions specified in the statute, form an affiliated nonprofit building corporation to own the facility and lease it to the charter school. The Company was formed as a special purpose entity for the sole purpose of acquiring and owning the Charter School’s facility and leasing it to the Charter School. The Company was incorporated as a nonprofit entity on August 27, 2015 and received its IRS determination letter on March 7, 2016.

State law requires a minimum of three directors for a nonprofit corporation, but otherwise does not impose any specific requirements with respect to the size of the board of directors for an affiliated building corporation. The board is not obligated to conduct its meetings in accordance with the Minnesota Open Meeting Law, but the Charter School is required to post minutes of the meetings of the Company’s Board of Directors (the “Company Board”) on the Charter School’s website, and the financials of the Company are required to be reported along with the finances of the Charter School on a consolidated basis. All Company Board members serve one-year terms with automatic reappointment unless directed by the Charter School. The Company Board is managed by a 3-person board of directors, all of whom are volunteers. The Company does not have, and is not expected to have, any employees.

The current members of the Company’s Board are as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Name** |  | **Position Held** |  | **Occupation** |  | **Term** |
| Nathan Schwieters |  | President |  | Principal |  | 2022-2024 |
| Neil Theisen |  | Secretary/Treasurer |  | Realtor |  | 2022-2024 |
| Cory Heinen |  | Member |  | Facilities Management |  | 2022-2024 |
| Monica Schrout |  | Member |  | Self-Employed |  | 2022-2024 |

The experiences and qualifications of the Company’s Board are as follows:

***Nathan Schwieters, President, Company Board.***  Mr. Schwieters has been employed as a Principal for grades 5-8 at the Charter School since 2022. Prior to joining the Charter School, Mr. Schwieters was the Dean of Students at the Charter School, and also has experience as a middle school social studies teacher, 6th grade teacher, 2nd grade teacher, and a paraprofessional for the School District (defined herein). As Principal, Mr. Schwieters is responsible for overseeing all higher-level operations in the Middle School, create a safe learning environment, setting performance goals for students and teachers, and overseeing the process to achieve such performance goals. Mr. Schwieters earned a earned a Bachelor’s degree, a Master’s degree, and a Sixth Year degree in Elementary Education, 5-8th Grade Social Studies and Education Administration from St. Cloud State University.

***Neil Theisen, Secretary/Treasurer, Company Board.*** Mr. Theisen is employed as a real estate agent at Central Minnesota Realty. Mr. Theisen earned a Bachelor of Arts degree in Business from Luther College.

***Cory Heinen, Member, Company Board.*** Mr. Heinen is employed as a General Manager at Advantage Property Services. Mr. Heinen earned an Associate of Applied Science degree in Business Management and Sales and Marketing from Rasmussen Business College.

***Monica Schrout, Member, Company Board.*** Ms. Schrout is employed as a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Ms. Schrout earned a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ degree in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ from \_\_\_\_\_\_\_\_\_\_\_\_\_\_.

# GOVERNANCE; ADMINISTRATION; FACULTY; AND FACULTY RETENTION

## Governance

State law requires all public charter schools to be governed by a board of directors. The meetings of the board of directors must comply with the Minnesota Open Meeting Law. In accordance with the Charter School’s bylaws and the Charter School Act, the Charter School’s board of directors must have at least seven and no more than ten non‑related members, and include: (1) at least one licensed teacher who is employed as a teacher at the Charter School or provides instruction under contract between the Charter School and a cooperative; (2) at least one parent or legal guardian of a student enrolled in the Charter School who is not an employee of the Charter School; and (3) at least one interested community member who resides in the State, is not employed by the Charter School, and does not have a child enrolled in the Charter School. The board structure may include a majority of teachers or parents or community members, or it may have no clear majority. The chief financial officer and the chief administrator may only serve as ex-officio nonvoting board members.

The Charter School is governed by a six-member board of directors (the “Board”). The Board is comprised of three (3) teachers employed at the Charter School, two (2) parents, and one (1) community member who is not employed by the Charter School and does not have a child enrolled at the Charter School. Eric Skanson, Executive Director of the Charter School, also serves in an Ex-Officio capacity on the Board. BerganKDV is the contracted Business Manager for the Charter School and attends Board meetings. Per the Charter School’s bylaws, Board members hold three-year terms.

Board elections are held annually in the month of May. The new board is seated during the July annual meeting each year. Each member holds office for a three-year term or until a successor is duly elected and qualified or until the member dies, resigns, is removed or the term otherwise expires. There are no limits to the number of terms a member may serve. Any parents or teachers nominated and elected as a member must have at least one year of experience at the Charter School. Officers of the Board are to be elected by an affirmative vote of a majority of the Board for the lesser of a one-year term or the remaining unexpired term of the member. The treasurer is to be elected for a three-year term.

The Board agrees to uphold the mission of the Charter School. The Board provides overall direction for the Charter School’s development and growth, evaluates the Executive Director, approves all significant educational and operational policies, and monitors compliance.

All Board meetings are held in accordance with the Open Meeting Law. Meeting notices and agendas are posted on the Charter School’s website before each meeting and board meetings. The public is afforded an opportunity to address the Board during a dedicated Open Mic time at each meeting.

## BoardMembers

The current members of the Board are:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name** |  | **Board Position** |  | **Term Expiration** |
| Sara Fromm |  | Chair, Parent |  | 2026 |
| Andy Lyman |  | Vice Chair, Teacher |  | 2025 |
| Aaron Lundblad |  | Director, Community Member |  | 2026 |
| Hassan Shuriye |  | Director, Teacher |  | 2026 |
| Tina Barak |  | Director, Parent |  | 2026 |
| Kayla Silverberg |  | Director, Teacher |  | 2026 |
| Eric Skanson |  | Executive Director, ex-officio |  | N/A |

**[School to confirm term dates as these members assumed positions from prior members]**

The following is a summary of information about the members of the Board:

***Sara Fromm, Chair, Parent.*** Ms. Fromm has served on the Board since 2016 and is currently serving as the Chair. Ms. Fromm is self-employed as a nonprofit consultant and psychotherapist at Sara Fromm LLC. Ms. Fromm earned a Masters of Science degree in Counseling from St. Cloud State University. Ms. Fromm has 2 children attending the Charter School.

***Andy Lyman, Vice Chair, Teacher.*** Mr. Lyman has served on the Board since 2019 and is currently serving as the Vice Chair. Mr. Lyman is employed as a middle school math teacher at the Charter School. Mr. Lyman earned a Bachelor of Science degree in ECE PreK-3 and Grades 4-6 Extension from the University of Wisconsin – Stout and Bemidji State University.

***Aaron Lundblad, Director, Community Member.*** Mr. Lundblad has served on the Board since 2016. Mr. Lundblad is employed as a \_\_\_\_\_\_\_\_\_\_\_ at \_\_\_\_\_\_\_\_\_\_\_\_\_. Mr. Lundblad earned a \_\_\_\_\_\_\_\_\_\_\_\_\_\_ degree in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ from \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

***Hassan Shuriye, Director, Teacher.*** Mr. Shuriye has served on the Board since 2023. Mr. Shuriye is employed as a multi-lingual teacher at the Charter School. Mr. Shuriye earned a Bachelor degree in English as a Second Language from \_\_[School name]\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

***Tina Barak, Director, Parent.*** Ms. Barak has served on the Board since 2023. Ms. Barak is employed as an Office Coordinator at Beaumont Therapy and Holistic Wellness. Ms. Barak earned a Bachelor of Arts degree in Communication Studies from California State University – Long Beach. Ms. Barak has 2 children attending the Charter School.

***Kayla Silverberg, Director, Teacher.*** Ms. Silverberg has served on the Board since 2023. Ms. Silverberg is employed as a 2nd grade teacher at the Charter School. Ms. Silverberg earned a Masters degree in Differentiated Instruction from Concordia University.

## Administration

Key administrators of the Charter School include the following individuals:

***Eric Skanson, Executive Director.*** Mr. Skanson has been the Executive Director at the Charter School since 2022. Prior to joining the School, Mr. Skanson was the Elementary Principal at Rocori Public Schools. As Executive Director, Mr. Skanson is responsible for the day-to-day operations of the Charter School and management of the administrative team. Mr. Skanson earned a Doctoral degree in Organizational Leadership and Policy Development from the University of Minnesota.

***Nathan Schwieters, Principal (Grades 5–8).*** Mr. Schwieters is the Principal at the Charter School and also serves as President of the Company Board. See Mr. Schwieters’ bio above under “THE COMPANY” in this Appendix A..

***Angie Lichy, Principal (Grades K-4).*** Ms. Lichy has been the Principal for grades K-4 at the Charter School since 20\_\_\_\_. Prior to joining the Charter School, Ms. Lichy was the Interim Principal at John Clark Elementary. As Principal, Ms. Lichy is responsible for overseeing federal programming to ensure compliance and effective implementation, works on curriculum development and instructional leadership, and works on the Charter School’s mentorship program to foster a conducive learning environment. Ms. Lichy earned a Professional Administration degree in Leadership K-12 from Mankato State University.

## Business Manager

Creative Planning Insurance LLC, a Kansas limited liability company (the “Business Manager”), is the Business Manager of the Charter School and provides management services to the Charter School. Pursuant to the terms of a Financial Accounting and Advisory Services Agreement, between the Charter School and the Business Manager (the “Services Agreement”), the Business Manager provides the Charter School with comprehensive accounting and business services and support. The Business Manager has provided financial accounting and advisory services to the Charter School since its inception, originally as Beltz, Kes, Darling and Associates, prior to merging with BerganKDV in 2017, and its subsequent merger with the Business Manager in July 2023. The Business Manager currently works with over fifty charter schools serving approximately 22,000 students throughout the State, including the Charter School.

Under the Services Agreement, the Business Manager is responsible for certain financial and business services to the Charter School, including but not limited to accounting, the generation of financial statements, processing payments to vendors, Special Education financial reporting, managing federal grants, and processing payroll.

The Business Manager and the Charter School believe that the Services Agreement complies with safe harbors contained in Internal Revenue Service Revenue Procedures 97-13 and 2001-39 (the “Safe Harbors”).

## Special Education Services

In order to assure quality special education leadership within the school, the Charter School has employed a Special Education Director as a contracted staff member. This individual supports the students, families, and staff while ensuring compliance with state and federal guidelines.

## Faculty

As of August 1, 2023, the Charter School has employed a total of 50 licensed employees and 33 non-licensed employees **[School to confirm. Chart below shows 87 employees as of 8/1/23]**. Among the Charter School’s teachers, all hold bachelor’s degrees and \_\_\_\_ hold master’s degrees. The tables below provide a summary of the Charter School’s faculty breakdown for the last four school years and the upcoming 2023-2024 school year as of August 1, 2023, along with teaching experience for the 2023-2024 school year as of August 1, 2023.

**Faculty**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **2019-2020** |  | **2020-2021** |  | **2021-2022** |  | **2022-2023** |  | **2023-2024(1)** |
| Full Time Teachers |  | 40 |  | 47 |  | 44 |  | 51 |  | 51 |
| Part Time Teachers |  | 4 |  | 5 |  | 3 |  | 3 |  | 3 |
| Admin Support |  | 3 |  | 3 |  | 3 |  | 3 |  | 3 |
| Administration |  | 2 |  | 3 |  | 3 |  | 3 |  | 3 |
| Paraprofessionals |  | 21 |  | 26 |  | 27 |  | 21 |  | 22 |
| Support Professionals |  | 3 |  | 5 |  | 5 |  | 5 |  | 5 |
| **Totals** |  | 73 |  | 89 |  | 85 |  | 86 |  | 87 |
| Ratio of Students to Licensed Teachers: |  | 11:1 |  | 9:1 |  | 12:1 |  | 10:1 |  | 12:1 |
| Ratio of Students to All Staff: |  | 6:1 |  | 5:1 |  | 7:1 |  | 6:1 |  | 7:1 |

*(1)As of August 1, 2023.*

*Source: The Charter School.*

**Teaching Experience**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **2022-2023** |  | **2023-2024(1)** |
| Beginning Teachers |  | 1 |  | 2 |
| 1-5 Years’ Experience |  | 25 |  | 22 |
| 6-10 Years’ Experience |  | 9 |  | 15 |
| Over 10 Years’ Experience |  | 18 |  | 12 |

*(1)As of August 1, 2023.* **[Table above says 51 teachers for 2022–2023 but this table totals 53 teachers with experience. School to please confirm]**

*Source: The Charter School.*

## Teacher Retention

The table below shows the teacher retention rates for the 2019-2020 through 2023-2024 school years, as of \_\_\_\_\_\_\_\_\_\_, 2023, or the percentage of teachers employed by the Charter School in September as compared to those who were employed in June of the prior school year.

**Teacher Retention Rates**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **2019-2020** |  | **2020-2021** |  | **2021-2022** |  | **2022-2023** |  | **2023-2024(1)** |
| Percent of Teachers Retained From Prior School Year |  | % |  | % |  | % |  | % |  | % |

*(1)As of \_\_\_\_\_\_\_\_\_\_\_\_, 2023.*

*Source: The Charter School.*

## Benefits

The average salary for a teacher at the Charter School is approximately $48,736. In addition to their salary, teachers at the Charter School receive up to an additional $2,200 in compensation based on student achievement, professional growth through the State approved Quality Compensation Program (Q-Comp), and teacher evaluations. A competitive benefits package is also provided to the Charter School staff which includes: medical, dental, life, short-term disability, and long-term disability, and insurance. All employees participate in a qualified retirement plan.

## Teacher Employment Status

All of the Charter School’s teachers are at-will employees. To the Charter School’s knowledge, there have been no efforts to date by the Charter School’s teachers to organize into a union.

## Staffing for Expansion

To accommodate projected enrollment increase as set forth in “ENROLLMENT, DEMOGRAPHICS AND TRANSPORTATION – Future Enrollment Projections” in this Appendix A, the Charter School has a plan to incrementally increase staffing at the Charter School in accordance with enrollment projections. In school year 2024‑2025, following completion of the Series 2023 Facility, the Charter School plans to begin expansion of elementary grades from three sections to four sections at each grade level and hire additional elementary teachers to keep student-to-teacher ratios low. As students’ progress into middle school, the Charter School will hire additional middle school teachers to maintain manageable class sizes and ensure personalized attention. The Charter School will also hire additional counselors, paraprofessionals, support staff, and operations and maintenance staff as needed.

As the middle school begins to expand, the Charter School also plans to introduces specialized subjects such as digital production, arts, and music and will hire skilled staff to teach these specialized subjects.

The Charter School will recruit staff for its open positions by advertising on local education job boards, partnering with local post-secondary teacher training programs, participating in job fairs, networking with colleagues in the field of education and creating career pathways for its existing certified and non-certified instructional staff. The Charter School offers competitive salary and benefit packages and historically has been successful in recruiting and retaining qualified staff. See also “THE SCHOOL FACILITIES AND THE SERIES 2023 PROJECT – Marketing and Recruitment” in this Appendix A.

## Parent Involvement

Parents and Teachers Helping Students (“PATHS”), is a group of parents and teachers who meet to discuss a variety of issues pertaining to the Charter School, including fundraising and authorizing funding requests such as paying for buses for student field trips. The mission of PATHS is to:

*Promote community and connection within STRIDE Academy for the purpose of supporting our students. PATHS does this through active and purposeful engagement with parents, teachers, and staff.*

PATHS is led by the Principals of the Charter School and a teacher and the meetings are open to all parents, teachers and staff of the Charter School. PATHS is an innovative group with mutual respect and trust to do what is best for students and staff using a collaborative approach.

## Parent Volunteers

Along with opportunities to volunteer, the Charter School also encourages parents and families to contribute ideas or suggestions for classroom activities that can be offered during intercessions. The Charter School believes that aligning the family and the Charter School will benefit students, families, teachers, and the greater community.

# EDUCATIONAL PROGRAM

## Educational Philosophy

The Charter School’s motto is:

**“To Live, To Love, To Learn, To Leave a Legacy,**

**What will be your Legacy?”**

In search of a way to provide a learning environment that gives every child the tools to succeed and reach their potential, the dream for the Charter School began on napkins over pizza and pop in basements throughout the region. As longtime educators, the founders wanted to create a school that worked for every child – not the most advantaged or the smartest.

The founders of the Charter School sought to help the at-risk students who were falling through the cracks in traditional school environments. Committed to considering the complete student, the Charter School searched for the best research-based curriculum with proven results, and then employed the most innovative teaching techniques and tools to create a learning environment that would grow great kids.

In 2005, the dream became a reality when the Charter School first opened its doors for students in grades K‑5. Taking an unconventional approach to education, the Charter School assesses all students and places them at their appropriate learning levels for each of the core subject areas. Each student receives an individualized learning plan and the tools to stay one step ahead.

The Charter School continues to be consistent in the following core structures:

* Small class sizes
* Flexible Grouping in Math and Reading
* Ongoing assessments
* Quarterly interim assessments in Math and Reading
* NWEA testing twice a year (nationally normed assessment)
* FastBridge testing 3 times per year
* Service learning opportunities for all students
* Art, Music, Physical Education, and Spanish for all students in grades K-8

## State and National Achievements and Recognitions

The Charter School has received recognition at the State and national level for excellence in academics and leadership development on multiple occasions. The Charter School’s accomplishments are as follows:

* MDE Celebration Eligible School
* 2013 – 2014 STRIDE Middle School
* 2014 – 2015 STRIDE Middle School
* 2015 – 2016 STRIDE Middle School
* MDE Reward School
* 2012-2013 STRIDE Middle School
* 2014-2015 STRIDE Elementary School
* Reward of National Grant to become an Official Leader In Me school
* 2014-2015
* MDE High Quality Charter School
* 2015 – 2016 STRIDE Academy Charter School
* MACS Innovation Award Finalist 2021 and 2023
* MDE School Finance Award
* 2008-2016
* 2019-2021

## Curriculum

The educational program at the Charter School is focused on providing students and families a focused level of individualized instruction. The Charter School provides students in grades K-8 with an opportunity for small class sizes at a school which focuses on mathematics and literacy achievement, while developing leadership qualities. The Charter School was created to offer and provide families and their children with these opportunities, while being committed to operating the Charter School with a focus on family and community.

The Charter School’s calendar is developed for approximately 179-181 student days, where students attend school from the middle of August through the end of June. The Charter School provides its students with a rigorous literacy and mathematics program aligned to Minnesota State standards.

All Charter School students receive weekly art instruction, weekly music (band, choir, general music) instruction, and physical education twice per week. The Original School Facility is designed with two large gymnasiums, two large music rooms, and an art room. The Charter School utilizes *Core Knowledge* to equalize and ground the education its students receive in history, science, art and music which allows students greater academic excellence and increased literacy success within all content areas.

Grades K-4 comprise the elementary program while grades 5-8 comprise the middle school program. The Charter School implements leveled math and reading instruction starting in kindergarten and continuing through 8th grade. These leveled classrooms allow for both accelerated learning and scaffold instruction to meet the needs of all learners.

## Differentiated Instruction

The Charter School continues to differentiate instruction with students in math and reading throughout a student’s years at the Charter School. Differentiated instruction allows students to learn at their academic level and build on the skills needed to be successful. Students will have constant success while still being challenged. If a student is below grade level, this helps them receive focused attention in areas of deficiency. If a student is above grade level, this helps them receive enrichment focused opportunities with attention to a rigorous program focusing on standards, problem solving, and critical thinking. Given the Charter School’s student centered focus, differentiation is an accepted policy by parents, students and staff. To accomplish appropriate differentiated instruction, all students are given a universal screener in math and reading. The assessment data is used to strengthen CORE and differentiate students and to allow academic gaps to be filled. The Charter School follows Science of Reading (“SOR”) through Language Essentials for Teachers of Reading and Spelling (“LETRS”) training and the University of Minnesota literacy models through MDE.

## Curriculum: Wonders Reading Curriculum

The Charter School’s students in K-6 utilize the latest version of the Wonders Reading Curriculum (“Wonders Curriculum”). This program is designed to improve reading, enhance language skills, and foster a love for literature in students. The Wonders Curriculum aims to create a dynamic and immersive learning experience that celebrates the wonder of words and stories. The Wonders Curriculum focuses on the SOR and support for differentiating.

Key features of the Wonders Curriculum include:

1. *Comprehensive Phonics and Decoding Instruction.* The updated Wonders Curriculum places a strong emphasis on phonics and decoding skills, providing students with a solid foundation in reading. Through interactive lessons and engaging activities, students will develop the ability to recognize and blend sounds, enabling them to tackle new words confidently.
2. *Rich Literature Exploration.* The Wonders Curriculum offers an extensive collection of diverse and captivating literary works, carefully curated to cater to the interests and learning levels of each student. From classic tales to contemporary masterpieces, students will embark on literary adventures that challenge their thinking and expand their horizons.
3. *Vocabulary Enrichment.* A robust vocabulary is essential for effective communication and comprehension. The Wonders Curriculum integrates vocabulary building activities and word study exercises to help students expand their lexicon and develop a deeper understanding of language nuances.
4. *Guided Reading and Comprehension Strategies.* To nurture strong reading comprehension skills, the Wonders Curriculum employs guided reading sessions and comprehension strategies that empower students to think critically and make connections with the text. Through guided discussions and activities, students will develop the ability to analyze, infer, and interpret various literary elements.
5. *Writing and Language Development.* The Wonders Curriculum fosters a seamless integration of reading and writing skills. Students will engage in creative writing exercises, narrative development, and grammar practice, enabling them to express themselves confidently through the written word.
6. *Technology-Enhanced Learning.* The Wonders Curriculum harnesses the power of technology to deliver interactive and multimedia-rich content. With online resources, interactive eBooks, and digital assessments, students will experience a modern and engaging learning environment that aligns with their digital savvy.
7. *Differentiated Instruction.* The Wonders Curriculum employs differentiated instruction to cater to diverse learning needs. Teachers will adapt their approaches to support struggling readers, challenge advanced learners, and ensure that each student receives personalized attention and support.
8. *Formative Assessment and Progress Tracking.* Regular formative assessments and progress tracking are integral to the Wonders Curriculum. Teachers will continuously monitor students’ reading development, identifying strengths and areas for improvement to tailor instruction accordingly.

Incorporating the updated version of the Wonders Reading Curriculum, the Charter School’s reading program promises an enriching and transformative learning journey for every student. With a strong focus on the SOR through phonemic awareness, phonics, fluency, comprehension, vocabulary, and writing. The Charter School aspires to cultivate lifelong readers who are inspired to explore the boundless world of literature. Through engaging activities, personalized instruction, and modern technology, the Charter School’s students will discover the joy of reading, unlock their full potential, and build the essential skills needed for success in both academic pursuits and the broader world beyond the classroom.

## Math

The Charter School utilizes “Go Math!”, which is a comprehensive K-7 mathematics program developed to support the Common Core State Standards for Mathematics and the National Council of Teachers of Mathematics Curriculum Focal Points. This program emphasizes essential questions and big ideas with depth of understanding as the goal. “Go Math!” incorporates the latest thinking in its comprehensive approach and engages students with cross-platform technology. It helps teachers to differentiate instruction, building and reinforcing foundational math skills that translate from the classroom to real life. The 5E instructional model – Engage, Explore, Explain, Elaborate, Evaluate – transforms planning and teaching and develops mathematical understanding in students.

## Service Learning Projects

The Charter School stresses service and volunteerism in its programs and believes in character development and servant leadership. Therefore, all of the Charter School’s students participate in service projects each year. These projects have provided connections and allowed students to engage in giving back to their communities.

## Extracurricular Activities

The Charter School continues to expand its after school activities for its students. This includes increased opportunities for the students to participate in after school athletics, academics, and clubs. The purpose of the after school activity program is to increase student involvement, among all age levels, through expanded and focused extracurricular opportunities.

The Facilities are not only utilized during the typical school day, but are also utilized by a growing number of students who participate in afterschool activities. These after school activities, (both academic and physical), include: basketball, volleyball, soccer, math club, drama, select choir, art club, baseball, student government, knowledge bowl, chess club, softball, Lego club, rocket club, spelling bee, geography bee, computer/gamer club, yearbook club, dance, and anime club. This program has increased in participation for students and staff, as indicated in the table below: **[If the School does not track participation, let us know and we can delete the table]**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **Number of Activities** |  | **Staff Participation** |  | **Student Participation** |
| 2020-2021 |  |  |  |  |  |  |
| 2021-2022 |  |  |  |  |  |  |
| 2022-2023 |  |  |  |  |  |  |

The Facilities are used throughout the year, with students attending school for 180 days with 2-3 intersessions placed strategically throughout the school year. These intersessions total approximately 10-20 extra days where staff and local experts interact with students on many academic extensions to and social levels of learning. Intersession activities include: karate, cooking classes, art classes, Lego robotics, knitting, music clubs, math club, and other activities which are fun, engaging, and provide kids another opportunity to learn and interact with peers.

## Panthers Activities Club

The Panthers Activities Club (“P.A.C.”) is an organization comprised of parents, staff and friends of the Charter School which provides additional support to all extra-curricular activity programs through volunteerism and financial support. P.A.C. helps purchase supplies, equipment, provide scholarships, helps with team events, and recognizes student’s participation beyond what activity fees provide.

## COVID-19 Impacts on Curriculum

1. **[Sample language. School to update as needed]**The Charter School returned all grades K-8 to in-person learning for the 2021-2022 school year. The Charter School implemented a Safe Return to In-Person Learning Plan aimed to communicate the COVID-19 mitigation strategies implemented at the Charter School, which plan was developed with input from the Best Practice Recommendations for COVID-19 Prevention in Schools for the 2021-2022 School Year as provided by MDE on July 28, 2021. Such plan describes how the Charter School will maintain the health and safety of students, educators, and other staff while on school property and the extent to which it has adopted policies, and a description of any such policies, on each of the safety recommendations established by the CDC. This plan includes requirements outlined in the American Rescue Plan Act Elementary and Secondary School Emergency Relief Fund. The Charter School’s Safe Return to In-Person Learning Plan reflects the Charter School’s commitment to partner with families in making choices that are best for their students. See “BONDHOLDERS’ RISKS – Impact of COVID-19 Pandemic” in this Official Statement.

(The remainder of this page is intentionally left blank.)

# THE FACILITIES AND THE SERIES 2023 PROJECT

## Original School Facility

The Company purchased the approximately 71,800 square foot Original School Facility located at 3241 Oakham Lane in the City in 2016 using proceeds of the Series 2016 Bonds, and in 2022, the Company purchased the Adjacent Land for outdoor play space and future expansion. The Original School Facility has a maximum occupancy of 775 students in grades K-8 and sits on approximately 12.5 acres of land.

Below is a map showing the location of the Original School Facility in the City.



*Source: Google Maps.*

The Original School Facility is a one-story wood-framed building originally constructed in 2010 with approximately 20,354 square feet. In order to accommodate the continued growth of the Charter School, an approximately 6,984 square addition was constructed in 2011, an approximately 5,112 square foot addition was constructed in 2013, and an approximately 39,350 square foot addition was constructed in 2016, for a current total square footage of the Original School Facility of approximately 71,800 square feet. The Original School Facility currently consists of \_\_\_\_ classrooms, two gymnasiums, a cafeteria and kitchen, [a library, a staff lounge, restrooms and administration offices]. See “MISSION, VISION, AND HISTORY – History” in this Appendix A for additional information on the previous expansion of the Original School Facility prior to 2016.

## Series 2023 Project

The Company will use a portion of the proceeds of the Series 2023 Bonds to finance the construction and equipping of a one-story wood-framed addition containing approximately 14,686 square feet to the north side of the Original School Facility, renovations to the existing Original School Facility, and certain site improvements to the Adjacent Land. Upon completion, the Series 2023 Facility will contain 8 classrooms, cafeteria and kitchen space, a media center and storm shelter. Improvements to the Adjacent Land include a new playground location, new soccer/play field, new parking, new hard surface play area. The western portion of the Adjacent Land is comprised of wetlands and will not be able to be developed.

Below is a rendering of the completed Facilities:



*Source: The Architect.*

Upon completion of the Series 2023 Project, the Facilities will consist of approximately 86,486 square feet and will contain 47 classrooms, 10 small group special purpose rooms, a science lab, a health office, two gymnasiums, a kitchen, a cafeteria, associated administrative offices, and associated parking. The Facilities will have a maximum capacity of 825 students in grades K-8.

Below is the Site Plan for the completed Facilities:



*Source: The Architect.*

## Construction of the Series 2023 Facility

The Series 2023 Facility will be constructed by BCI Construction, Inc. (the “Design-Builder”), based in Sauk Rapids, Minnesota. The Design-Builder was founded in 1996 and has more than 27 years of experience in providing pre-construction planning, construction management and general contracting services to commercial, educational, retail, office, industrial and senior housing clients. Prior to the date of issuance of the Series 2023 Bonds, the Company will enter into a AIA Document A141-2014 Standard Form of Agreement Between Owner and Design-Builder for Labor (the “Labor Agreement”) and a separate materials agreement (the “Materials Agreement”), each with the Design-Builder for the construction of the Series 2023 Facility. The Labor Agreement and the Materials Agreement are collectively referred to as the “Construction Contract.” Subject to additions and deductions authorized by the Company pursuant to the Construction Contract, the guaranteed maximum price is estimated not to exceed $4,600,000 (the “Guaranteed Maximum Price”) for labor and materials in connection with the construction of the Series 2023 Facility. The Company will purchase payment and performance bonds for the construction of the Series 2023 Facility and the funds for such bonds are included in the Company’s budget for the Series 2023 Facility. The Construction Contract provides that the Design-Builder will achieve substantial completion of the Series 2023 Facility by July 7, 2024 (the “Substantial Completion Date”). This Substantial Completion Date is contingent on the Series 2023 Facility commencing construction by September 18, 2023. The Construction Contract requires liquidated damages if substantial completion (a) is delayed beyond \_\_\_ days after the Substantial Completion Date, in the amount of $\_\_\_\_\_\_, for each calendar day the delivery of the Series 2023 Facility is delayed, and (b) is delayed more than \_\_\_ days after the Substantial Completion Date, in the amount of $\_\_\_\_\_\_ for each calendar day the delivery of the Series 2023 Facility is delayed.

1. The construction of the Series 2023 Facility is expected to begin on September 18, 2023 and be completed by July 7, 2024, prior to the scheduled start of the 2024-2025 school year in August 2024. The Construction Contract provides that if the Contractor is delayed in starting the work by circumstances outside its control, the Company, the Charter School, the Architect (defined below), and the Contractor will coordinate a completion plan for the building that will satisfy the City for issuance of a temporary certificate of occupancy for the beginning of the 2024-2025 school year. See “BONDHOLDERS’ RISKS – Construction Risks” in this Official Statement.
2. The Contractor has extensive experience in the construction of educational facilities. Below is a list of similar projects in which the Contractor has been involved:

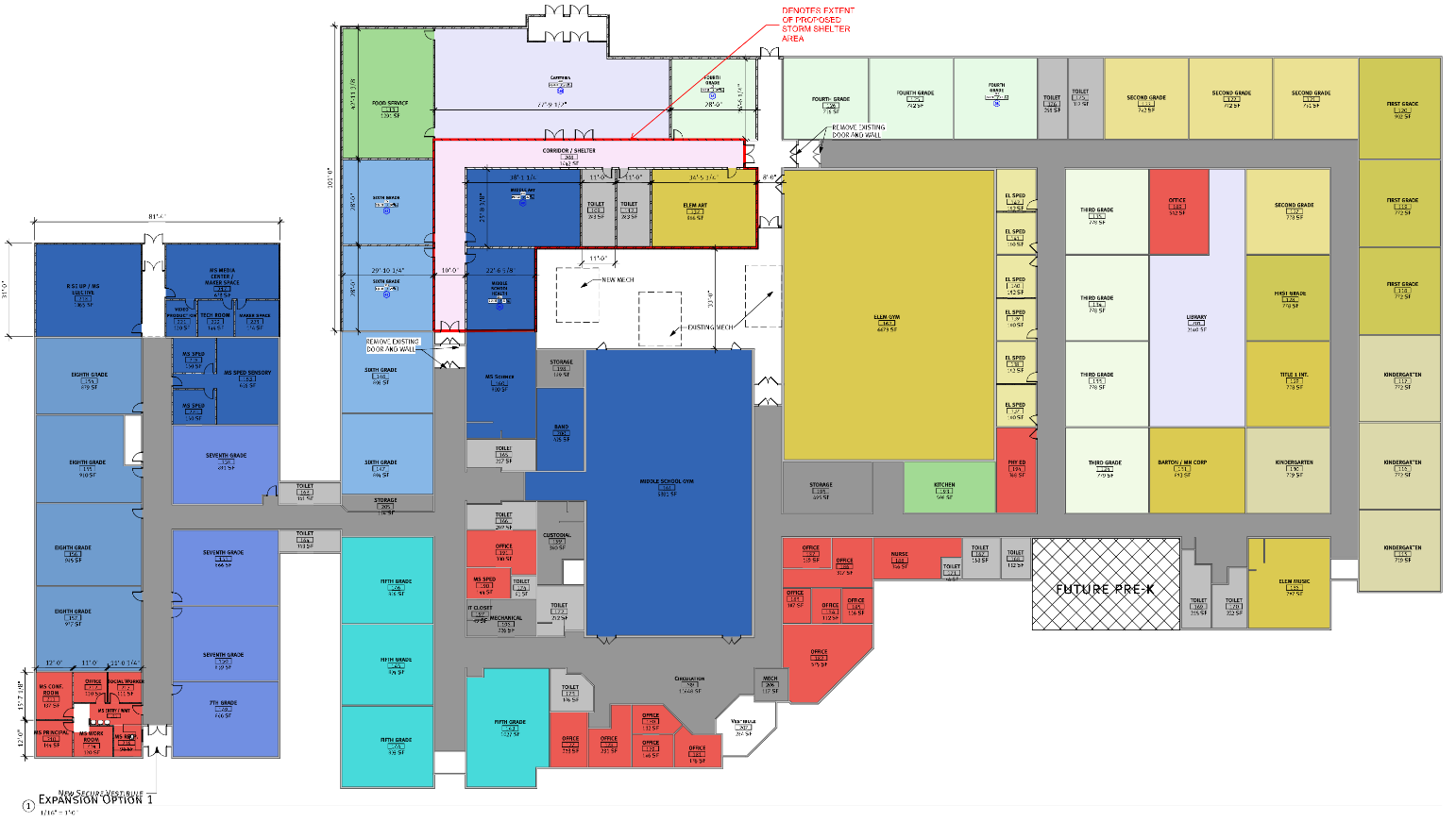
|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 1. **Project Name** |  | 1. **Location** |  | 1. **Project Description** |  | 1. **Completion Date** |
| 1. Eagle Point Elementary |  | 1. Oakdale, MN |  | 1. Construction of 11,967 square foot facility |  | 1. 2022 |
| 1. St. Francis Middle School |  | 1. St. Francis, MN |  | 1. Construction of 130,00 square foot facility |  | 1. 2020 |
| 1. Cedar Creek Elementary |  | 1. St. Francis, MN |  | 1. Renovation of 70,00 square foot facility |  | 1. 2020 |
| 1. Anoka High School |  | 1. Anoka, MN |  | 1. 49,250 square foot addition and 9,244 square foot remodel |  | 1. 2020 |
| 1. Coon Rapids High School |  | 1. Coon Rapids, MN |  | Entrance Addition and renovation of 10,051 square feet |  | 1. 2019 |

The Company has engaged Damberg Scott Gerzina Wagner Architects, Inc. (d/b/a DSGW Architects, Inc.) (the “Architect”), pursuant to a [AIA B101-2017 Standard Form of Agreement Between Owner and Architect], dated \_\_\_\_\_\_\_\_\_\_, 20\_\_\_ (the “Architect Agreement”), to provide design services for the Series 2023 Facility. The Architect was established in Duluth, Minnesota in 1938. The Architect has a significant amount of experience in designing schools all over the country and internationally, along with experience in designing behavior health facilities. Working with the Charter School brings both of these unique perspective and experience together to benefit the students at the Charter School. Below is a list of similar projects:

* Spero Academy, Minneapolis, Minnesota
* Community School of Excellence, St. Paul, Minnesota
* North Lakes Academy, Forest Lake, Minnesota
* Aspen Academy, Savage, Minnesota
* New Millennium Academy, Brooklyn Center, Minnesota

## Floor Plan

Below is the floor plan for the Facilities:



*Source: MDE Review and Comment Submission.*

## Environmental Reports

In connection with the Series 2023 Project, a Phase I Environmental Assessment Report (the “Phase I”) was conducted by Braun Intertec Corporation (“Braun”) for the site of the Series 2023 Project and Braun did not identify any recognized environmental conditions (“RECs”) or controlled recognized environmental conditions (“CRECs”) and did not recommend any further assessments for the Series 2023 Project.

See “BONDHOLDERS’ RISKS – Environmental Regulations” in this Official Statement.

## Development Consultant

The Company has engaged TenSquare, LLC (“TenSquare”) to serve as the owner’s representative and development construction for construction of the Series 2023 Facility pursuant to the Development Management Services Agreement (the “Development Management Agreement”). Pursuant to the Development Management Agreement, TenSquare will assist the Company with completion of the Series 2023 Project, including monitoring the Project budget and schedule throughout construction. TenSquare has experience managing the development process for public charter schools and has developed over 30 charter school facility projects, working with schools in five states and the District of Columbia. TenSquare projects have comprised over $250 million and 1,500,000 square feet of development work.

## Marketing and Recruitment

**[Sample language. School to revise as needed]**The Charter School has developed a robust marketing plan to boost the reach and reputation of the Charter School in the 20-mile radius of the Facilities. This plan includes an updated website with a marketing focus on recruitment; targeted digital advertising via social media platforms, Google and Niche; event marketing to the community through ground-breaking ceremonies and open houses, a community presence at local events, parades, community events and job fairs; partnerships with local organizations; a campaign to boost online reviews; and carry out a target marketing campaign via direct mail and advertising in community publications.

The marketing efforts outlined above are designed to increase awareness and brand recognition of the Charter School within the community, which will support both student and staff recruitment. In addition, to recruit and hire staff for open positions, the Charter School will advertise on local education job boards, partner with local post-secondary teacher training programs, participate in job fairs, network with colleagues in the field of education and create career pathways for its existing certified and non-certified instructional staff. The Charter School offers competitive salary and benefit packages and historically has been successful in recruiting and retaining qualified staff.

See “GOVERNANCE; ADMINISTRATION; FACULTY; AND FACULTY RETENTION – Administration” and “- Staffing for Expansion” in this Appendix A for a discussion of the Charter School’s current administration and faculty, and additional staffing needs in connection with the completion of the Series 2023 Facility.

# ENROLLMENT, DEMOGRAPHICS AND TRANSPORTATION

## Historical and Current Enrollment

The Charter School enrolls an eligible pupil who submits a timely application and admits students in accordance with State law. State law provides that schools must admit applicants as follows: (i) first, returning students, (ii) second, siblings of enrolled students and foster children of an enrolled student’s parents, (iii) third, children of staff, and (iv) fourth, all other applicants by lottery. The Charter School receives more applications than seats available in most grades each year, therefore an enrollment lottery is held on the fourth Tuesday of January of each school year. All applications for each grade received from current residents of the State before the enrollment deadline of December 15 are included in the general lottery. An applicant may only apply for admission into the one grade/class level which the applicant will matriculate into in the next school year. The Charter School conducts all lotteries through a method of random selection. The lottery is conducted in accordance with Minn. Stat § 124E.11, paras (a) to (f). The Charter School has developed and published an admissions policy on its website.

The following tables set forth the Charter School’s historical and current enrollment by grade level. The information below follows school years (September-June), and the numbers represent actual head counts based on state-reported data.

**Historical(1) and Current Enrollment**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Grade** |  | **2018-2019** |  | **2019-2020** |  | **2020-2021** |  | **2021-2022** |  | **2022-2023** |  | **2023-**  **2024(2)** |
| K |  | 51 |  | 56 |  | 49 |  | 57 |  | 45 |  | 62 |
| 1st |  | 49 |  | 59 |  | 53 |  | 58 |  | 57 |  | 58 |
| 2nd |  | 59 |  | 65 |  | 52 |  | 56 |  | 65 |  | 69 |
| 3rd |  | 68 |  | 62 |  | 53 |  | 66 |  | 64 |  | 73 |
| 4th |  | 47 |  | 68 |  | 65 |  | 63 |  | 71 |  | 72 |
| 5th |  | 48 |  | 47 |  | 61 |  | 71 |  | 70 |  | 71 |
| 6th |  | 43 |  | 47 |  | 47 |  | 64 |  | 72 |  | 75 |
| 7th |  | – |  | 45 |  | 44 |  | 46 |  | 55 |  | 72 |
| 8th |  | – |  | – |  | 38 |  | 44 |  | 45 |  | 71 |
| **Total** |  | **365** |  | **449** |  | **462** |  | **525** |  | **544** |  | **623 [Intro says 626 students. Please confirm total as of 8/1]** |

*(1)As of October 1 of each year.* **[School to confirm the student count for the highlighted years. These differ from 2021-2022 Annual Report. Which is correct?]**

*(2)As of August 1, 2023.*

*Source: MDE Review and Comment Submission and the Charter School.*

Since the 2020-2021 school year, public schools across Minnesota have experienced a decline in enrollment as a direct result of the COVID-19 health pandemic and the resulting closure of public schools and the shift to remote learning. In February 2021, officials at MDE reported that public school enrollment declined 2% statewide for school year 2020-2021, citing parental choice to delay kindergarten enrollment, a 49.5% increase in the number of students homeschooled and a 12.4% increase in private school kindergarten enrollment as contributing factors. Despite these statewide trends, the Charter School’s enrollment has remained stable and even grown since the start of the COVID‑19 health pandemic.

Applications to the Charter School are accepted on an ongoing basis. In accordance with State law, the Charter School holds an annual lottery to fill open seats. As of August 1, 2023, the Charter School is fully enrolled and will not enroll additional students unless a student leaves the Charter School and creates a vacancy. Preference for vacancies are given to siblings of current students and staff members. If no siblings or children of staff are on the waitlist, the vacancy is filled by lot.

## Future Enrollment Projections

The following table shows the future enrollment projections for the Charter School. Enrollment plans include expansion to 776 students by school year 2027-2028.

**Future Enrollment Projections**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Grade** |  | **2023-**  **2024** |  | **2024-**  **2025** |  | **2025-**  **2026** |  | **2026-**  **2027** |  | **2027-2028** |
| K |  | 80 |  | 80 |  | 80 |  | 80 |  | 80 |
| 1 |  | 80 |  | 80 |  | 80 |  | 80 |  | 80 |
| 2 |  | 88 |  | 88 |  | 88 |  | 88 |  | 88 |
| 3 |  | 72 |  | 96 |  | 96 |  | 96 |  | 96 |
| 4 |  | 72 |  | 72 |  | 96 |  | 96 |  | 96 |
| 5 |  | 72 |  | 72 |  | 72 |  | 96 |  | 96 |
| 6 |  | 72 |  | 72 |  | 72 |  | 72 |  | 96 |
| 7 |  | 72 |  | 72 |  | 72 |  | 72 |  | 72 |
| 8 |  | 72 |  | 72 |  | 72 |  | 72 |  | 72 |
| **Total** |  | **680** |  | **704** |  | **728** |  | **752** |  | **776** |

*Source: MDE Review and Comment Submission.*

## Minimal Waitlist

The Charter School enrolls any incoming K-8 student who submits a timely application, unless the number of applicants exceeds the capacity (seats available) of the program, class, or grade level. In such case, admission is by lottery as required by applicable law. State law permits (and the Charter School so provides) primary preference for siblings of attending students and secondary preference for children of teachers at the Charter School.

Historically, the Charter School has been able to accept all students who have applied for enrollment without placing students on a waitlist. On a few occasions, a seat has not been immediately available for a student who applied outside of the normal enrollment period due to class size limitations and has been placed on a waitlist.

In order to provide a low student to teacher ratio, the Charter School limits the number of students in each class. The Charter School currently has four sections for each grade in grades K-2 and three sections for each grade in grades 3-8 with plans for expansion upon completion of the Series 2023 Facility. The table on the following page reflects the current class size limits:

(The remainder of this page is intentionally left blank.)

**Class Size Limits**

|  |  |  |
| --- | --- | --- |
| **Grades** |  | **Class Size Limit** |
| K |  | 20 |
| 1 |  | 20 |
| 2 |  | 22 |
| 3 |  | 24 |
| 4 |  | 24 |
| 5 |  | 24 |
| 6 |  | 24 |
| 7 |  | 24 |
| 8 |  | 24 |

*Source: 2021-2022 Annual Report.*

## Student Demographics

It is the Charter School’s policy to provide equal educational opportunity for all students, and the Charter School’s demographics are reflective of the demographics of the surrounding communities. The Charter School does not discriminate on the basis of race, color, creed, religion, national origin, sex, marital status, parental status, status with regard to public assistance, disability, sexual orientation or age.

The following table shows the Charter School’s demographics for the 2022-2023 school year.

**Student Demographics**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| American Indian |  | 0.4% |  | English Learner |  | 48.7% |
| Asian |  | 0.9 |  | Special Education |  | 10.3 |
| Hispanic or Latino |  | 3.7 |  | Free and Reduced Lunch |  | 84.6 |
| Black/African American |  | 79.8 |  | Homeless |  | 0.0 |
| Native Hawaiian or Pacific Islander |  | 0.2 |  |  |  |  |
| White |  | 12.7 |  |  |  |  |
| Two or More Races |  | 2.4 |  |  |  |  |

*Source: MDE Report Card.*

(The remainder of this page is intentionally left blank.)

## Student Retention

The following chart shows the historical enrollment retention at the Charter School.

**Student Retention Rates**

|  |  |  |
| --- | --- | --- |
| **School Year** |  | **% Retained**  **From Prior Year** |
| 2023-2024(1) |  | % |
| 2022-2023 |  |  |
| 2021-2022 |  |  |
| 2020-2021 |  |  |
| 2019-2020 |  |  |
| 2018-2019 |  |  |

*(1)As of August 1, 2023.*

*Source: The Charter School.*

## Transportation

St. Cloud Public School District No. 742 (the “School District”) provides transportation for Charter School students who reside within the School District boundaries while the School District is in session for the months of September through June. \_\_\_% of students at the Charter School ride the school bus. In addition, for the 2023-2024 school year, the Charter School has contracted with \_\_\_\_\_\_\_\_\_\_\_\_ for the days the Charter School is in session beyond the School District calendar and for students who live in [Sauk Rapids and Sartell]. Currently, the Charter School runs \_\_\_ bus routes to and from the Charter School.

# SERVICE AREA

The Facilities are located at 3241 Oakham Lane in the City and is in the School District. The Charter School serves students in the City, as well as the surrounding communities of Sartell, Sauk Rapids, St. Joseph, Waite Park, Foley, Rice, Richmond, South Haven, and St. Augusta. The Charter School is approximately 67 miles northwest of the Minneapolis-Saint Paul metropolitan area.

# COMPETING SCHOOLS

The following competing traditional public schools are located within 8 miles of the Charter School.

**Traditional Public Schools**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **School Name** |  | **Grades Served** |  | **Enrollment(1)** |  | **Miles from the Charter School** |
| Oak Hill Community Elementary |  | Pk-5 |  | 814 |  | 2.2 |
| South Junior High |  | 6-8 |  | 867 |  | 4.7 |
| Madison Elementary |  | K-5 |  | 649 |  | 5.3 |
| North Junior High |  | 6-8 |  | 708 |  | 5.6 |
| Lincoln Elementary |  | 3-5 |  | 396 |  | 5.9 |
| Westwood Elementary |  | K-5 |  | 387 |  | 5.9 |
| Talahi Community Elementary |  | Pk-5 |  | 563 |  | 6.2 |

*(1)Estimated enrollment for the 2022-2023 school year.*

*Source: The Charter School.*

The following competing public Charter Schools are located within 5 miles of the Charter School.

**Public Charter Schools**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **School Name** |  | **Grades Served** |  | **Enrollment(2)** |  | **Miles from the Charter School** |
| Athlos Academy of St. Cloud(1) |  | K-8 |  | 446 |  | 0.9 |
| St. Cloud Math and Science Academy Charter School |  | K-6 |  | 241 |  | 4.2 |

*(1)Athlos Academy of St. Cloud is located directly east of the Facilities on 33rd Street South. For the 2023-2024 school year, Athlos Academy of St. Cloud reduced its grade levels to serve K-4.*

*(2)Estimated enrollment for the 2022-2023 school year.*

*Source: The Charter School.*

The following competing private schools are located within 8 miles of the Charter School.

**Private Schools**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **School Name** |  | **Grades Served** |  | **Enrollment(1)** |  | **Miles from the Charter School** |
| Calvary Classical Academy |  | K-10 |  | 51 |  | 4.5 |
| St. Elizabeth Ann Seton School |  | Pk-6 |  | 83 |  | 4.9 |
| Cathedral High School |  | 7-12 |  | 613 |  | 6.2 |
| All Saints Academy-St. Cloud Campus |  | Pk-6 |  | 159 |  | 6.5 |
| Prince of Peace Lutheran School |  | Pk-8 |  | 137 |  | 7.1 |

*(1)Estimated enrollment for the 2022-2023 school year.*

*Source: The Charter School.*

There are also various smaller private schools with enrollment of less than 100 students within the St. Cloud Public School District.

# ACADEMIC ACHIEVEMENT INDICATORS

The Minnesota Comprehensive Assessments (MCAs) and alternate assessment, Minnesota Test of Academic Skills (MTAS), are the state tests that help districts measure student progress toward meeting both the State’s academic standards and federal and state legislative requirements. Students take one test in each subject. Most students take the MCA, but students who receive special education services and meet eligibility requirements may take the alternate assessment MTAS instead.

The MCA tests help districts measure student progress toward the State’s academic standards in reading and math and also meet the requirements of the Elementary and Secondary Education Act (“ESEA”). They are given every year to measure student performance against State academic standards that specify what students in a particular grade should be able to do. The tables on the following page summarize the past four years’ results of the Charter School’s students as compared to statewide proficiency. Due to the COVID-19 health pandemic, state assessments were not administered in the 2019-2020 school year. State assessments were administered in Spring 2021 for the 2020-2021 school year, but MDE has determined that those results will not be used be used for accountability purposes due to the disruption to learning during that school year resulting from the COVID-19 health pandemic. According to MDE, student proficiency rates dropped dramatically across all subject areas from 2019, the most recent year results for the 2020-2021 school year are available. As shown in the tables below, statewide proficiency rates for the 2020-2021 school year fell 6.7% in reading, 19.7% in math, and 7.6% in science from the 2018-2019 school year.

The challenge of equating progress or school success with results of the MCAs at the Charter School is the fluctuating percentage of students who take the MCAs and the MTAS. In order to determine the appropriateness of state testing, each year the Charter School challenges third graders with trying the MCA and then evaluates the success of that measure for future years, moving to the MTAS. This process follows the guidelines set forth by the MDE for appropriately selecting assessments for students with Individualized Educational Programs (IEPs). Decisions regarding which test a student will take is determined annually by the IEP team and documented accordingly.

Despite the availability of alternate assessments, the high percentage of the Charter School students whose abilities and achievement are not conveyed well in any of these measures makes this measure less indicative of student learning and school success than in a school with a more typical student demographic. Due to the low number of students testing in a given grade, each student’s outcomes carry a weight of five percentage points or more. For this reason, caution must be used in interpreting the Charter School’s proficiency results, and no assurances can be made the future proficiency results will align with past and present proficiency results.

**STRIDE Academy MCA Reading Proficiency by Grade(1)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **2018-2019** |  | **2020-2021** |  | **2021-2022** |
| 3rd Grade |  | 50.0% |  | N/A |  | 26.2% |
| 4th Grade |  | 37.8 |  | N/A |  | 10.3 |
| 5th Grade |  | 57.8 |  | N/A |  | 42.4 |
| 6th Grade |  | 46.2 |  | N/A |  | 37.9 |
| 7th Grade |  | N/A |  | N/A |  | N/A |
| 8th Grade |  | N/A |  | N/A |  | N/A |

*(1)Due to the COVID-19 pandemic, MCA State Testing was canceled for Spring 2020. Results for the 2022-2023 school year are expected to be available in early September.*

*Source: Charter School.*

**Overall School-wide MCA Reading Proficiency(1)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **2018-2019** |  | **2020-2021** |  | **2021-2022** |
| STRIDE Academy |  | 48.3% |  | N/A |  | 29.6% |
| St. Cloud Public Schools |  | 45.7 |  | N/A |  | 39.3 |
| State of Minnesota |  | 59.2 |  | N/A |  | 51.1 |

*(1)Due to the COVID-19 pandemic, MCA State Testing was canceled for Spring 2020. Results for the 2022-2023 school year are expected to be available in early September.*

*Source: Charter School and MDE Report Card.*

**STRIDE Academy MCA Math Proficiency By Grade(1)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **2018-2019** |  | **2020-2021** |  | **2021-2022** |
| 3rd Grade |  | 64.5% |  | N/A |  | 36.0% |
| 4th Grade |  | 40.0 |  | N/A |  | 15.5 |
| 5th Grade |  | 35.6 |  | N/A |  | 19.7 |
| 6th Grade |  | 43.6 |  | N/A |  | 17.2 |
| 7th Grade |  | N/A |  | N/A |  | N/A |
| 8th Grade |  | N/A |  | N/A |  | N/A |

*(1)Due to the COVID-19 pandemic, MCA State Testing was canceled for Spring 2020. Results for the 2022-2023 school year are expected to be available in early September.*

*Source: Charter School and MDE Report Card.*

**Overall School-wide MCA Math Proficiency(1)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **2018-2019** |  | **2020-2021** |  | **2021-2022** |
| STRIDE Academy |  | 47.6% |  | N/A |  | 20.3% |
| St. Cloud Public Schools |  | 38.0 |  | N/A |  | 28.8 |
| State of Minnesota |  | 55.5 |  | N/A |  | 45.5 |

*(1)Due to the COVID-19 pandemic, MCA State Testing was canceled for Spring 2020. Results for the 2022-2023 school year are expected to be available in early September.*

*Source: Charter School and MDE Report Card.*

**STRIDE Academy MCA Science Proficiency By Grade(1)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **2018-2019** |  | **2020-2021** |  | **2021-2022** |
| 5th Grade |  | 50.0% |  | N/A |  | 41.7% |
| 8th Grade |  | N/A |  | N/A |  | 26.2 |

*(1)Due to the COVID-19 pandemic, MCA State Testing was canceled for Spring 2020. Results for the 2022-2023 school year are expected to be available in early September.*

*Source: Charter School.*

**Overall School-wide MCA Science Proficiency(1)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **2018-2019** |  | **2020-2021** |  | **2021-2022** |
| STRIDE Academy |  | 50.0% |  | N/A |  | 36.0% |
| St. Cloud Public Schools |  | 36.8 |  | N/A |  | 26.8 |
| State of Minnesota |  | 50.7 |  | N/A |  | 41.3 |

*(1)Due to the COVID-19 pandemic, MCA State Testing was canceled for Spring 2020. Results for the 2022-2023 school year are expected to be available in early September.*

*Source: Charter School and MDE Report Card.*

## MCA Analysis – Additional Notes

The following can be noted using the charts above under “ENROLLMENT; DEMOGRAPHICS AND TRANSPORTATION – Demographics – Ethnic and Special Demographics”:

* In the 2022-2023 school year, the Charter School’s demographics show that the Charter School served a higher percentage of Free and Reduced Price Lunch students than the School District and the State.
* In the 2022-2023 school year, the Charter School’s demographics show that the Charter School served a higher percentage of English Learner students than the School District and the State.

The Charter School believes that its academic program supports the State’s goal to close the achievement gap. The charts below compare proficiency of the Free-Reduced Priced Lunch and English Learner subgroups among the Charter School students and the School District students. The 2020-2021 student scores at the Charter School are lower than St. Cloud Public School District in the subgroup of “Free-Reduced Price Lunch” in both reading and math. For the subgroup of “English Learner”, the students of the Charter School scored lower than the School District students in reading and math. The Charter School believes that given multiple years to work with the additional students, the Charter School’s students will improve their scores and be consistent with the scores of students in the School District; provided, that no assurances can be made the future student scores will be consistent with the scores of students in the School District.

**Reading MCA Proficiency- Subgroup Comparison- Free-Reduced Priced Lunch**

|  |  |  |
| --- | --- | --- |
|  |  | **2021-2022** |
| STRIDE Academy |  | 30.0% |
| St. Cloud Public School District |  | 28.1 |

*Note: Results for the 2022-2023 school year are expected to be available in early September.*

*Source: The Charter School.*

**Math MCA Proficiency- Subgroup Comparison- Free-Reduced Priced Lunch**

|  |  |  |
| --- | --- | --- |
|  |  | **2021-2022** |
| STRIDE Academy |  | 31.6% |
| St. Cloud Public School District |  | 16.8 |

*Note: Results for the 2022-2023 school year are expected to be available in early September.*

*Source: The Charter School.*

**Science MCA Proficiency- Subgroup Comparison- Free-Reduced Priced Lunch**

|  |  |  |
| --- | --- | --- |
|  |  | **2021-2022** |
| STRIDE Academy |  | 20.0% |
| St. Cloud Public School District |  | 15.7 |

*Note: Results for the 2022-2023 school year are expected to be available in early September.*

*Source: The Charter School.*

**Reading MCA Proficiency- Subgroup Comparison- English Learner**

|  |  |  |
| --- | --- | --- |
|  |  | **2021-2022** |
| STRIDE Academy |  | 9.3% |
| St. Cloud Public School District |  | 8.4 |

*Note: Results for the 2022-2023 school year are expected to be available in early September.*

*Source: The Charter School.*

**Math MCA Proficiency- Subgroup Comparison- English Learn*er***

|  |  |  |
| --- | --- | --- |
|  |  | **2021-2022** |
| STRIDE Academy |  | 8.7% |
| St. Cloud Public School District |  | 8.6 |

*Note: Results for the 2022-2023 school year are expected to be available in early September.*

*Source: The Charter School.*

**Science MCA Proficiency- Subgroup Comparison- English Learn*er***

|  |  |  |
| --- | --- | --- |
|  |  | **2021-2022** |
| STRIDE Academy |  | 14.3% |
| St. Cloud Public School District |  | 3.4 |

*Note: Results for the 2022-2023 school year are expected to be available in early September.*

*Source: The Charter School.*

## NWEA Results

The Charter School also administers a standardized assessment known as the Northwest Evaluation Association (“NWEA”) Measures of Academic Progress (the “MAP”). MAP tests are adaptive interim assessments aligned to state-specific content standards. The MAP is predictive of whether a student will test as proficient or not proficient on the MCAs, and produces meaningful data because it is administered to students in grades one and above; conversely, the MCAs are only administered to students in grades three and above. The Charter School administers the MAP to its students in the fall of each year and in the winter testing cycle.

**NWEA Growth Results – Reading**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Grade** |  | **2021-2022**  **% Fall to Spring** |  | **2022-2023**  **% Fall to Spring** |
| Kindergarten |  | 28% |  | 60-43% |
| 1st |  | 38 |  | 38-35 |
| 2nd |  | 36 |  | 19-25 |
| 3rd |  | 56 |  | 59-47 |
| 4th |  | 58 |  | 37-20 |
| 5th |  | 75 |  | 44-48 |
| 6th |  | – |  | 38-26 |
| 7th |  | 43 |  | – |
| 8th |  | 56 |  | – |

*Source: The Charter School and 2021-2022 Annual Report*.

**NWEA Growth Results – Math**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Grade** |  | **2021-2022**  **% Fall to Spring** |  | **2022-2023**  **% Fall to Spring** |
| Kindergarten |  | 35% |  | 52-46% |
| 1st |  | 42 |  | 41-42 |
| 2nd |  | 52 |  | 32-34 |
| 3rd |  | 69 |  | 55-54 |
| 4th |  | 56 |  | 38-34 |
| 5th |  | 76 |  | 39-51 |
| 6th |  | – |  | 29-35 |
| 7th |  | 60 |  | – |
| 8th |  | 53 |  | – |

*Source: The Charter School and 2021-2022 Annual Report*.

In 2022, the Charter School began piloting a new assessment program called “FastBridge”. FastBridge combines Computer Adaptive Tests and Curriculum-Based Measures to screen students, identify gaps and offer recommendations for reading instruction and diagnostic reading intervention. The table below reflects the results of the FastBridge assessments during its pilot year.

**FastBridge Results – Reading (Pilot Year) [School to provide explanation on why K–1 are reflected as a % and 2–5 are reflected as benchmark]**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Grade** |  | **Fall 2022** |  | **Spring 2023** |  | **Growth Benchmark** |
| Kindergarten (early Reading) |  | 31% |  | 57% |  | – |
| 1st (early Reading) |  | 27 |  | 53 |  | – |
| 2nd (Advanced Reading) |  | 443 |  | 474 |  | 490 |
| 3rd (Advanced Reading) |  | 502 |  | 504 |  | 503 |
| 4th (Advanced Reading) |  | 489 |  | 503 |  | 513 |
| 5th (Advanced Reading) |  | 509 |  | 518 |  | 520 |

*Source: The Charter School*.

# DEMOGRAPHICS OF ST. CLOUD, MINNESOTA

## Population

The City’s population trend is shown below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Population** |  | **Percent Change** |
| 2020 U.S. Census Estimate |  | 68,510 |  | 4.1% |
| 2010 U.S. Census |  | 65,842 |  | 11.4 |
| 2000 U.S. Census |  | 59,107 |  | 21.1 |
| 1990 U.S. Census |  | 48,812 |  | 14.7 |
| 1980 U.S. Census |  | 42,566 |  | -- |

*Source: United States Census Bureau, http://www.census.gov/*.

The City’s approximate population by age group for the past five years is as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Data Year/ Report Year** |  | **0-17** |  | **18-34** |  | **35-64** |  | **65 and Over** |
| 2021/2022 |  |  |  |  |  |  |  |  |
| 2020/2021 |  | 14,935 |  | 21,836 |  | 23,086 |  | 9,928 |
| 2019/2020 |  | 14,771 |  | 22,335 |  | 22,656 |  | 9,572 |
| 2018/2019 |  | 14,410 |  | 22,766 |  | 22,473 |  | 9,238 |
| 2017/2018 |  | 14,130 |  | 22,922 |  | 22,319 |  | 8,870 |

*Sources: Environics Analytics, Claritas, Inc., and The Nielsen Company*.

## Education

The following districts serve the residents of the City:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **District** |  | **Location** |  | **Grades** |  | **2022-2023**  **Enrollment** |
| ISD No. 742 (Saint Cloud) |  | City of Saint Cloud |  | K-12 |  | 9,286 |
| ISD No. 47 (Sauk Rapids-Rice) |  | City of Sauk Rapids |  | K-12 |  | 4,423 |

*Source: Minnesota Department of Education, www.education.state.mn.us*.

# STATE AID PAYMENTS

The primary source of funding for State charter schools is State funding. The various types of State funding distributed to a State charter school can be divided conceptually into several main categories: (i) General Education Revenue, (ii) transportation revenue, (iii) special education revenue, (iv) Building Lease Aid, (v) compensatory aid, and (vi) other state funding. See “CHARTER SCHOOL FUNDING IN MINNESOTA” in the forepart of this Official Statement for more detailed information.

# BUDGET; ACCOUNTING; AND DEBT

## Budgeting and Accounting

The Charter School has a Finance Committee that is responsible for overseeing the financial welfare of the Charter School, as well as overseeing all financial reporting requirements to outside organizations. Each year in the spring, a budget is prepared by administration for the following fiscal year, with input and oversight by the Finance Committee, with underlying assumptions and estimates clearly documented. The budget is subject at all times to review by the Authorizer. The budget is primarily based on State and federal educational funding.

The Charter School maintains a General Fund in which all the activity of the Charter School is recorded. A budget is prepared for the General Fund on the same basis of accounting as the year-end audited financial statements. Budgeted expenditure appropriations lapse at fiscal year-end. In the fall, after enrollment numbers are stabilized and government funding levels are known, the Finance Committee reviews the underlying assumptions and modifies the operating budget to reflect known changes. This modified budget is presented to the Board and adopted in the fall.

As required by State law, the Charter School operates as a nonprofit corporation under Minnesota Statutes, Section 317A and a Charter School under the Charter School Act. State law requires the Charter School to comply with Uniform Financial Accounting and Reporting Standards for Minnesota School Districts, which mandates the use of a governmental fund accounting structure and mandatory reporting requirements.

Under the Charter Contract, the Charter School is required to conduct an annual financial audit. The Charter School has engaged ABDO for Fiscal Years 2022 and 2021. Audited Financial Statements forFiscal Years 2022 and 2021 are included in “APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THECHARTER SCHOOL FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021” in this Official Statement. The unaudited financial statements for the Fiscal Year ended June 30, 2023 are included in “APPENDIX E – UNAUDITED FINANCIAL STATEMENTS OF THE CHARTER SCHOOL FOR THE FISCAL YEAR ENDED JUNE 30, 2023” in this Official Statement.

## Payroll Protection Program Forgivable Loan

In response to the COVID-19 pandemic under the federal CARES Act (the “CARES Act”), the federal government authorized the United States Small Business Administration Payroll Protection Program (“PPP”) to offer forgivable loans to employers to maintain payroll if certain provisions were met. Loans were to be used for payroll costs, interest on mortgages, rent, and utilities. The Charter School received a PPP loan in fiscal year 2021 in the amount of $693,752 from Choice Financial Group, which was forgiven in September 2021.

## CARES Act Funding and Additional Funding

In response to the COVID-19 health pandemic, the federal government passed the CARES Act which provided funding for many different types of businesses and units of government. As part of the CARES Act, the Governor’s Education Relief Fund (the “GEER Fund”) was established, whereby the U.S. Department of Education awarded grants to Governors for the purpose of providing local educational agencies (“LEAs”) and other education-related entities with emergency assistance as a result of COVID-19. The CARES Act also established the Elementary and Secondary School Emergency Relief Fund (the “ESSER Fund”), whereby the U.S. Department of Education awards granted to state education agencies, who in turn awarded sub-grants to schools that applied for funding. Lastly, the CARES Act established the Coronavirus Relief Fund (the “CRF”), which provided payments to State, Local, and Tribal Governments navigating the impact of the COVID-19 health pandemic. The Charter School was allocated $142,511 of CRF funding and approximately $138,459 combined from the ESSER Fund, GEER Fund and ESSER Grants by the State that are funded from the initial CARES Act funding. The Charter School received $502,665 of additional ESSER II funding in late summer 2021 from the second round of CARES Act funding and anticipates receiving $1,137,162 of additional ESSER III funding spread through fiscal years 2022, 2023, and 2024.

The table on the following page summarizes the funding received by the Charter School under the various COVID‑19 programs for schools and nonprofit organizations.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Funding** |  | **Year** |  | **Amount** |  | **Purpose** |  | **Expend End** |  | **Notes** |
|  |  |  |  |  |  |  |  |  |  |  |
| Coronavirus Relief Funding |  | FY21 Revenue |  | $142,511 |  | Social Distancing, Distance Learning, and PPE needs |  | 11/30/2020 |  | FIN 154 |
|  |  |  |  |  |  |  |  |  |  |  |
| CARES Funding ESSER I |  | FY20/FY21 Revenue |  | 138,459 |  | Social Distancing, Distance Learning, and PPE needs |  | 6/30/2021 |  | FIN 151, 152, 153 |
|  |  |  |  |  |  |  |  |  |  |  |
| CARES Funding ESSER II |  | FY21/FY22 Revenue |  | 502,665 |  | Same as Round I plus Summer School |  | 9/30/2023 |  | FIN 155, 163 |
|  |  |  |  |  |  |  |  |  |  |  |
| COVID Testing Program |  | FY22/FY23 Revenue |  | 55,610 |  | COVID Testing |  | 6/30/2023 |  | FIN 170 |
|  |  |  |  |  |  |  |  |  |  |  |
| CARES Funding ESSER III |  | FY22/FY23 Revenue |  | 1,137,162 |  | Same as Round I & II plus Learning Loss |  | 9/30/2024 |  | FIN 150, 160, 161, 169 |

*Additional Funding.* In response to the COVID-19 health pandemic, the federal government offered the Employee Retention Credit (ERC) which provides funding to eligible employers that paid qualified wages to some or all employees after March 12, 2020, and before January 1, 2022, excluding wages that were reported as payroll costs under the PPP loan. In March 2023, the Charter School applied for approximately $554,618.39 of funding from the ERC. If received, the Charter School does not expect to see this credit until 2024.

## Historical Financial Data

The following financial information is derived from the audited financial statements of the Charter School for the fiscal years ended June 30, 2022 and 2021 and unaudited financials for the fiscal year ending June 30, 2023 are projected as provided by the Charter School and its Business Manager. See “APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE CHARTER SCHOOL FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021” for the audited financial statements for the fiscal years ended June 30, 2022 and 2021.

[Baird/BerganKDV to provide historical financial summary charts]

## Summary of Financial Statements and Projections

Financial projections for Fiscal Years 2024-2028 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. Although the Charter School 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 Charter School involve risks and uncertainties, many of which are outside of the Charter School’s control and any one of which, or a combination of which, could materially affect the Charter School’s results with respect to its future financial results.

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 Charter 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 Charter School and the extent of insurance coverage for such claims; and other risks discussed in this Official Statement. See “BONDHOLDERS’ RISKS” in this Official Statement.

The Underwriter has not independently verified the Charter School’s projections, and makes no representations nor gives any assurances that such projections, or the assumptions underlying them, are complete or correct.

NO REPRESENTATION OR ASSURANCE CAN BE GIVEN THAT THE CHARTER SCHOOL WILL REALIZE REVENUES IN AMOUNTS SUFFICIENT TO MAKE ALL REQUIRED DEBT SERVICE PAYMENTS ON THE SERIES 2023 BONDS. THE REALIZATION OF FUTURE REVENUES DEPENDS ON, AMONG OTHER THINGS, THE MATTERS DESCRIBED IN “BONDHOLDERS’ RISKS,” AND FUTURE CHANGES IN ECONOMIC AND OTHER CONDITIONS THAT ARE UNPREDICTABLE AND CANNOT BE DETERMINED AT THIS TIME. THE UNDERWRITER MAKES NO REPRESENTATION AS TO THE ACCURACY OF THE PROJECTIONS CONTAINED HEREIN, NOR AS TO THE ASSUMPTIONS ON WHICH THE PROJECTIONS ARE BASED.

## Line of Credit

[At the time of issuance of the Series 2023 Bonds, the Charter School anticipates entering into a line of credit (the “Line of Credit”) with \_\_\_\_\_\_\_\_\_\_\_ for an amount not to exceed $\_\_\_\_\_\_. The Charter School currently does not have an outstanding balance with respect to the Line of Credit. If the Charter School borrows against the Line of Credit, it will bear interest at a variable rate and the the Line of Credit matures annually. It is anticipated that the Charter School will continue to renew the Line of Credit with \_\_\_\_\_\_\_\_\_\_ in the future, but there is no guarantee that \_\_\_\_\_\_\_\_\_\_ will agree to the same terms as currently contemplated.] OR [The Charter School does not currently have a line of credit and does not anticipate entering into line of credit in connection with the issuance of the Series 2023 Bonds.]

## Existing Debt and Obligations

As of Fiscal Year end June 30, 2022, the Company had a net of approximately $15,070,000 in outstanding charter school lease revenue bonds (the Series 2016 Bonds). The Series 2023 Bonds will be issued on a parity with the Series 2016 Bonds. On June 30, 2022, the Charter School also recorded a net pension liability in the amount of approximately $2,234,880, representing the Charter School’s proportionate share of the unfunded liabilities for the two statewide pension plans in which it participates (TRA and PERA). See Notes 3 and 4 of the Audited Financial Statements of the Charter School as set forth in Appendix D of this Official Statement for more detailed information about the Charter School’s long-term liabilities.

## Investment Policies

1. The Charter School is in compliance with state law pertaining to the investment of its funds, is aware of state law, and has no reason to believe that the Charter School will not continue to be in compliance with state law. A formalized investment policy was originally adopted by the Charter School on \_\_\_\_\_\_\_\_, 20\_\_\_ and most recently updated and approved on \_\_\_\_\_\_\_, 20\_\_\_. **[Does the School have a separate Investment Policy or just the Purchasing, Procurement and Contracting policy provided?]**

## Fundraising

The Charter School does not engage in many fundraising events.

# NO LITIGATION

No action, suit proceeding, or investigation at law or in equity, before or by any court, any governmental agency, or any public board or body is pending or, to the best of the Charter School’s knowledge, threatened, affecting the validity of the Indenture, the Loan Agreement, the Pledge Agreement or the Series 2023 Bonds, or contesting the corporate existence or powers of either the Charter School or the Company. There is presently no material litigation pending or, to the best of its officers’ knowledge, overtly threatened against either the Charter School or the Company.