



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
P.O. Box 2508
Cincinnati, OH 45201

COLE VALLEY CHRISTIAN SCHOOLS INC
200 E CARLTON AVENUE
MERIDIAN, ID 83642

RECEIVED
BY: 001122021

Date: 10/01/2021
Employer ID number: 86-2425049
Person to contact:
Name: Mitch Steele
ID number: 31360
Telephone: 877-829-5500
Accounting period ending: June 30
Public charity status: 170(b)(1)(A)(ii)
Form 990 / 990-EZ / 990-N required: Yes
Effective date of exemption: February 26, 2021
Contribution deductibility: Yes
Addendum applies: No
DLN: 26053505004711

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

Stephen A. Martin

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements

Form 1023 (Rev. January 2020) Department of the Treasury Internal Revenue Service	Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code Do not enter social security numbers on this form as it may be made public. Go to www.irs.gov/Form1023 for instructions and the latest information.	OMB No. 1545-0047 Note: <i>If exempt status is approved, this application will be open for public inspection.</i>
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Use the "?" buttons throughout this form for help in completing this application. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500.

If you cannot complete required responses within the textbox limits throughout this form, upload your additional narratives with the other required documents.

Part I Identification of Applicant			
1a Full Name of Organization (exactly as it appears in your organizing document) COLE VALLEY CHRISTIAN SCHOOLS INC			b Care of Name (if applicable)
c Mailing Address (Number, street and room/suite) 200 E CARLTON AVENUE		d City MERIDIAN	e Country UNITED STATES
f State IDAHO		g Zip Code + 4 83642	h Foreign Province (or State)
		i Foreign Postal Code	
2 Employer Identification Number 86-2425049	3 Month Tax Year Ends JUNE		4 Person to Contact if More Information is Needed (officer, director, trustee, or authorized representative) BRET MOEHLMANN
5 Contact Telephone Number 208-947-1212		6 Fax Number (optional)	7 User Fee Submitted \$600.00
8 Organization's Website (if available): WWW.COLEVALLEYCHRISTIAN.ORG			
9 List the names, titles, and mailing addresses of your officers, directors, and/or trustees.			
First Name: MICHAEL		Last Name: PAPAC	
Mailing Address: 823 S BRENTBROOK LANE		City: EAGLE	
State (or Province): ID		Zip Code (or Foreign Postal Code): 83616	
First Name: STEVE		Last Name: WESTENDORF	
Mailing Address: 3760 N KINGSWOOD DRIVE		City: BOISE	
State (or Province): ID		Zip Code (or Foreign Postal Code): 83704	
First Name: JOHN		Last Name: WICK	
Mailing Address: 4237 N STAR VISTA LANE		City: EAGLE	
State (or Province): ID		Zip Code (or Foreign Postal Code): 83616	
First Name: ALLEN		Last Name: HOWLETT	
Mailing Address: 200 E CARLTON AVENUE		City: MERIDIAN	
State (or Province): ID		Zip Code (or Foreign Postal Code): 83642	
First Name: BRET		Last Name: MOEHLMANN	
Mailing Address: 200 E CARLTON AVENUE		City: MERIDIAN	
State (or Province): ID		Zip Code (or Foreign Postal Code): 83642	

☒ Check here to add more officers, directors, and/or trustees.

See Statement 1

Part II Organizational Structure

- 1** You must be a corporation, limited liability company (LLC), unincorporated association, or trust to be tax exempt.

Select your type of organization.

☒ Corporation

At the end of this form, you must upload a copy of your articles of incorporation (and any amendments) that shows proof of filing with the appropriate state agency.

☐ Limited Liability Company (LLC)

At the end of this form, you must upload a copy of your articles of organization (and any amendments) that shows proof of filing with the appropriate state agency. Also, if you adopted an operating agreement, upload a copy, along with any amendments.

☐ Unincorporated Association

At the end of this form, you must upload a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments.

☐ Trust

At the end of this form, you must upload a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments.

- 2** Enter the date you formed. (MM/DD/YYYY)

02/26/2021

- 3** Select your state (or U.S. territory) of incorporation or other formation. If you were formed under the laws of a foreign country, select Foreign Country.

Idaho

- 4** Have you adopted bylaws? If "Yes," at the end of this form, upload a current copy showing the date of adoption. If "No," explain how you select your officers, directors, or trustees.

☒ Yes

☐ No

- 5** Are you a successor to another organization?

☒ Yes

☐ No

Answer "Yes" if you have taken or will take over the activities of another organization, you took over 25% or more of the fair market value of the net assets of another organization, or you were established upon the conversion of an organization from for-profit to nonprofit status. If "Yes," complete Schedule G.

Part III Required Provisions in Your Organizing Document

Part III helps ensure that, when you submit this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3).

If you cannot check "Yes" in both Lines 1 and 2, your organizing document does not meet the organizational test. DO NOT file this application until you have amended your organizing document. Remember to upload your original and amended organizing documents at the end of this form.

- 1** Section 501(c)(3) requires that your organizing document limit your purposes to one or more exempt purposes within section 501(c)(3), such as charitable, religious, educational, and/or scientific purposes.

The following is an example of an acceptable purpose clause: The organization is organized exclusively for charitable, religious, educational, and scientific purposes under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Does your organizing document meet this requirement?

☒ Yes ☐ No

- 1a** State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph):

Page 1, Article 2; Articles of Incorporation

- 2** Section 501(c)(3) requires that your organizing document provide that upon dissolution, your remaining assets be used exclusively for section 501(c)(3) exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Depending on your entity type and the state in which you are formed, this requirement may be satisfied by operation of state law.

The following is an example of an acceptable dissolution clause: Upon the dissolution of this organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

Does your organizing document meet this requirement?

☒ Yes ☐ No

- 2a** State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or indicate that you rely on state law.

Page 2, Article 10; Articles of Incorporation

Part IV **Your Activities**

1 Describe completely and in detail your past, present, and planned activities. Do not refer to or repeat the purposes in your organizing document. For each past, present, or planned activity, include information that answers the following questions:

- a. What is the activity?
- b. Who conducts the activity?
- c. Where is the activity conducted?
- d. What percentage of your total time is allocated to the activity?
- e. How is the activity funded (for example, donations, fees, etc.) and what percentage of your overall expenses is allocated to this activity?
- f. How does the activity further your exempt purposes?

Cole Valley Christian Schools is a private Christian PreK-12 school serving southwest Idaho. The school serves approximately 1,100 students and employs over 150 staff. The school conducts four main activities: Biblically integrated classroom instruction, school administration, fundraising and athletics. These activities have been practiced in the school since it began operations and will continue in the future.

See Statement 2 for a complete description of these activities in accordance with your request above.

Part IV**Your Activities** *(continued)*

- 2 Enter the 3-character NTEE Code that best describes your activities.

B20

Or check here if you want the IRS to select the NTEE Code that best describes your activities.

☐

- 3 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes" if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. ☒ Yes ☐ No

At least one parent of the student must have a personal relationship with Jesus Christ and be able to sign our Statement of Faith. This is self-reported by the enrolling parent. See attached Statement of Faith.

- 4 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors? If "Yes," explain how these related individuals are eligible for goods, services, or funds. ☒ Yes ☐ No

Some Directors and the Superintendent have children that are enrolled in the school. Director's children are not forbidden from enrolling in the school, but a conflict of interest policy applies with regard to enrollment and scholarship decisions. The conflict of interest policies for both the Board of Directors and Cole Valley Christian Schools staff are attached.

- 5 Do you or will you support or oppose candidates in political campaigns in any way? If "Yes," explain. ☐ Yes ☒ No

- 6 Do you or will you attempt to influence legislation? If "Yes," explain how you attempt to influence legislation. ☐ Yes ☒ No

Part IV Your Activities *(continued)*

- 6a** Did you or will you make an election to have your legislative activities measured by expenditures by filing Form 5768? If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities. ☐ Yes ☐ No

- 7** Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other intellectual property? If "Yes," describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. ☐ Yes ☒ No

- 8** Do you or will you provide educational information to the general public on budgeting, personal finance, financial literacy, saving and spending practices, the sound use of consumer credit, and/or assist individuals and families with financial problems such as credit card debt and foreclosure by providing them with counseling? If "Yes," explain. ☐ Yes ☒ No

- 9** Do you or will you make grants, loans, or other distributions to organizations? If "Yes," describe the type and purpose of the grants, loans, or distributions, how you select your recipients including submission requirements (such as grant proposals or application forms), and the criteria you use or will use to select recipients. Also describe how you ensure the grants, loans, and other distributions are or will be used for their intended purposes (including whether you require periodic or final reports on the use of funds and any procedures you have if you identify that funds are not being used for their intended purposes). Finally, describe the records you keep with respect to grants, loans, or other distributions you make and identify any recipient organizations and any relationships between you and the recipients. If "No," continue to Line 10. ☐ Yes ☒ No

Part IV Your Activities *(continued)*

- 9a** Do you or will you make grants, loans, or other distributions to organizations that are not recognized by the IRS as tax exempt under section 501(c)(3)? If "Yes," name and/or describe the non-section 501(c)(3) organizations to whom you do or will make distributions and explain how these distributions further your exempt purposes. ☐ Yes ☐ No

- 9b** Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," name each foreign organization (if not already provided), the country and region within each country in which each foreign organization operates, any relationship you have with each foreign organization, and whether the foreign organization accepts contributions earmarked for a specific country or organization (if so, specify which countries or organizations). If "No," continue to Line 10. ☐ Yes ☐ No

- 9c** Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. ☐ Yes ☐ No

- 9d** Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. ☐ Yes ☐ No

- 9e** Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including periodic reporting requirements, auditing grantees, site visits by your employees or compliance checks by impartial experts, etc., to verify that grant funds are being used appropriately. ☐ Yes ☐ No

Part IV Your Activities (continued)

- 9f** Do you share board members or other key personnel with the recipient organization(s)? If "Yes," identify the relationships. ☐ Yes ☐ No

- 9g** When you make grants, loans, or other distributions to foreign organizations, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities. ☐ Yes ☐ No

- 9h** Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC? ☐ Yes ☐ No

- 9i** Will you acquire from OFAC the appropriate license and registration where necessary? ☐ Yes ☐ No

- 10** Do you or will you operate in a foreign country or countries? If "Yes," name each foreign country and region within each country in which you do or will operate and describe your operations in each one. If "No," continue to Line 11. ☐ Yes ☒ No

- 10a** When you conduct activities in foreign countries, will you check the OFAC List of Specially Designated Nationals and Blocked Persons for names of individuals and entities with whom you are dealing to determine if they are included on the list? Describe any other practices you will engage in to ensure that foreign expenditures or grants are not diverted to support terrorism or other non-charitable activities. ☐ Yes ☐ No

- 10b** Will you comply with all United States statutes, executive orders, and regulations that restrict or prohibit U.S. persons from engaging in transactions and dealings with designated countries, entities, or individuals, or otherwise engaging in activities in violation of economic sanctions administered by OFAC? ☐ Yes ☐ No

- 10c** Will you acquire from OFAC the appropriate license and registration where necessary? ☐ Yes ☐ No

Part IV Your Activities *(continued)*

- 11** Are you a sponsoring organization that maintains one or more donor advised funds? If yes, please provide a complete description of your program, including the specific advice that such donors may provide. Describe in detail the control you maintain (or will maintain) over the use of the funds. ☐ Yes ☒ No

- 12** Do you or will you operate a school? ☒ Yes ☐ No
If "Yes," complete Schedule B.

- 13** Is your principal purpose or function to provide hospital or medical care? ☐ Yes ☒ No
If "Yes," complete Schedule C.

- 14** Do you or will you provide low-income housing? ☐ Yes ☒ No
If "Yes," complete Schedule F.

- 15** Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? ☒ Yes ☐ No
If "Yes," complete Schedule H - Section I.

- 16** Check any of the following fundraising activities that you will undertake (check all that apply):

☒ Website, mail, email, personal, and/or phone solicitations

☒ Foundation grant solicitations

☐ Receive donations from another organization's website

☐ Government grant solicitations

☐ Bingo

☐ Other (non-bingo) gaming activities

☒ Other (describe)

Each year Cole Valley Christian Schools hosts multiple fundraisers including a Gala, golf-scamble, art shows and student led activities.

☐ We will not engage in fundraising activities.

- 17** Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements, including the names or descriptions of the organizations for which you raise funds. ☐ Yes ☒ No

Part V Compensation and Other Financial Arrangements

- 1** Do you or will you compensate officers, directors, or trustees, or do or will you have highest compensated employees, or highest compensated independent contractors? If "No," continue to Line 2. ☒ Yes ☐ No

In establishing compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors:

- 1a** Do or will the individuals that approve compensation arrangements follow a conflict of interest policy? ☒ Yes ☐ No
- 1b** Do or will you approve compensation arrangements in advance of paying compensation? ☒ Yes ☐ No
- 1c** Do or will you document in writing the date and terms of approved compensation arrangements? ☒ Yes ☐ No
- 1d** Do or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? ☒ Yes ☐ No
- 1e** Do or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? ☒ Yes ☐ No
- 1f** Do or will you record in writing both the information on which you relied to base your decision and its source? ☒ Yes ☐ No
- 1g** Do or will you have any other practices you use to set reasonable compensation? If "Yes," describe these practices. ☐ Yes ☒ No

- 2** Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If you are a hospital, answer "Yes" if your conflict of interest policy includes provisions consistent with the additional healthcare related provisions in the sample document. If "No," describe the procedures you will follow to ensure that persons who have a conflict of interest will not have influence over setting their own compensation or regarding business deals with themselves. ☒ Yes ☐ No

- 3** Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. ☐ Yes ☒ No

Part V Compensation and Other Financial Arrangements (continued)

- 4 Do you or will you purchase or sell any goods, services, or assets from or to: (i) any of your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any such transactions that you made or intend to make, with whom you make or will make such transactions, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value. ☒ Yes ☐ No

Staff, faculty and Directors may have their own children enrolled in the school. Full tuition is charged to Directors, but staff qualifies for a tuition discount based on whether they are employed part-time or full-time and their level of accountability and responsibility. These discounts are considered additional compensation to better align with similar positions in the market. See Schedule H, question 3, for a description of eligibility and Schedule H, question 6, for a description of oversight.

- 5 Do you or will you have any leases, contracts, loans, or other agreements with: (i) your officers, directors, or trustees; (ii) any family of any of your officers, directors, or trustees; (iii) any organizations in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest; (iv) your highest compensated employees; or (v) your highest compensated independent contractors? If "Yes," describe any written or oral arrangements that you made or intend to make, with whom you have or will have such arrangements, how the terms are or will be negotiated at arm's length, and how you determine you pay no more than fair market value or you are paid at least fair market value. ☐ Yes ☒ No

- 6 Do you or will you contract with another organization to develop, build, market, or finance your facilities? ☒ Yes ☐ No
If "Yes," describe each facility, the role of the other organization, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how that entity is selected, how the terms of any contract(s) are negotiated at arm's length, and how you determine you will pay no more than fair market value for services.

The school currently has bond financing with US Bank. None of our officers, directors or trustees are affiliated with US Bank. As the school undergoes growth, we would utilize the services of building contractors and architects to facilitate the expansion. This would be an open-bid process to allow competitive pricing, and as with all other decisions, the conflict-of-interest policy would apply.

Part V Compensation and Other Financial Arrangements (continued)

- 7 Does or will someone other than your own employees or volunteers manage your activities or facilities? ☐ Yes ☒ No
- If "Yes," describe the activities or facilities that will be managed by others, the names of the persons or organizations that manage or will manage your activities or facilities, and any business or family relationship between the organization and your officers, directors, or trustees. Explain how these managers were or will be selected, how the terms of any contracts or other agreements were or will be negotiated, and how you determine you will pay no more than fair market value for services.

- 8 Do you participate in any joint ventures, including partnerships or limited liability companies treated as partnerships, in which you share profits and losses with partners? If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe the activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes. ☐ Yes ☒ No

Part VI Financial Data

- 1 Select the option that best describes you to determine the years of revenues and expenses you need to provide.
- ☐ You completed less than one tax year.
Provide a total of three years of financial information (including the current year and two future years of reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.
- ☐ You completed at least one tax year but fewer than five.
Provide a total of four years financial information (including the current year and three years of actual financial information or reasonable and good faith projections of your future finances) in the following Statement of Revenues and Expenses.
- ☒ You completed five or more tax years.
Provide financial information for your five most recent tax years (including the current year) in the following Statement of Revenues and Expenses.

Part VI Financial Data (continued)**A. Statement of Revenues and Expenses**

Type of revenue		Current tax year	4 prior tax years or 2 succeeding tax years			
		From: 07/01/2019 To: 06/30/2020	From: 09/01/2018 To: 06/30/2019	From: 09/01/2017 To: 08/31/2018	From: 09/01/2016 To: 08/31/2017	From: 09/01/2015 To: 08/31/2016
1	Gifts, grants, and contributions received (do not include unusual grants)	\$690,796	\$1,097,246	\$905,666	\$756,731	\$761,620
2	Membership fees received					
3	Gross investment income	\$884	\$1,106	\$346	\$2,916	\$763
4	Net unrelated business income					
5	Taxes levied for your benefit					
6	Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)					
7	Any revenue not otherwise listed above or in lines 9 - 12 below (provide an itemized list below)					
8	Total of lines 1 through 7	\$691,680	\$1,098,352	\$906,012	\$759,647	\$762,383
9	Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (provide an itemized list below)	\$6,916,348	\$5,376,088	\$5,298,219	\$5,382,103	\$5,013,376
10	Total of lines 8 and 9	\$7,608,028	\$6,474,440	\$6,204,231	\$6,141,750	\$5,775,759
11	Net gain or loss on sale of capital assets (provide an itemized list below)					
12	Unusual grants (provide an itemized list below)					
13	Total Revenue (add lines 10 through 12)	\$7,608,028	\$6,474,440	\$6,204,231	\$6,141,750	\$5,775,759
Type of expense		Current tax year	4 prior tax years or 2 succeeding tax years			
14	Fundraising expenses	\$229,515	\$219,367	\$526,679	\$395,289	\$391,644
15	Contributions, gifts, grants, and similar amounts paid out (provide an itemized list below)					
16	Disbursements to or for the benefit of members (provide an itemized list below)					
17	Compensation of officers, directors, and trustees					
18	Other salaries and wages	\$5,544,219	\$4,085,560	\$4,074,894	\$3,635,825	\$3,402,502
19	Interest expense	\$153,726	\$130,961	\$135,323	\$153,854	\$112,278
20	Occupancy (rent, utilities, etc.)					
21	Depreciation and depletion	\$366,725	\$297,720	\$345,764	\$317,872	\$311,598
22	Professional fees					
23	Any expense not otherwise classified, such as program services (provide an itemized list below)	\$1,987,160	\$1,602,025	\$1,463,802	\$1,459,344	\$1,432,766
24	Total Expenses (add lines 14 through 23)	\$8,281,345	\$6,335,633	\$6,546,462	\$5,962,184	\$5,650,788

25 Itemized financial data

See Statement 3 for an itemized list of expenses.

Part VI Financial Data (continued)

B. Balance Sheet (for your most recently completed tax year)		Year End:	06/30/2020
Assets			
1	Cash		\$1,094,774
2	Accounts receivable, net		
3	Inventories		\$47,825
4	Bonds and notes receivable (provide an itemized list below)		
5	Corporate stocks (provide an itemized list below)		
6	Loans receivable (provide an itemized list below)		
7	Other investments (provide an itemized list below)		
8	Depreciable assets (provide an itemized list below)		\$5,752,114
9	Land		\$783,907
10	Other assets (provide an itemized list below)		
11	Total Assets (add lines 1 through 10)		\$7,678,620
Liabilities			
12	Accounts payable		
13	Contributions, gifts, grants, etc. payable		
14	Mortgages and notes payable (provide an itemized list below)		\$5,886,335
15	Other liabilities (provide an itemized list below)		
16	Total Liabilities (add lines 12 through 15)		\$5,886,335
Fund Balances or Net Assets			
17	Total fund balances or net assets		\$1,792,285
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)		\$7,678,620

19 Itemized financial data

Depreciable assets includes: Land improvements \$134,923; Vehicles \$30,952; Buildings \$5,474,674; Equipment \$68,480; Leased assets \$20,650; Construction in process \$22,435. Notes payable includes: Note payable to independent private party for \$545,737; Bond payable to US Bank \$4,070,056; PPP loan through the SBA \$1,015,187; Interest rate swap \$232,958; Capital lease \$22,397.

Part VII Foundation Classification

Part VII is designed to classify you as an organization that is either a private foundation or a public charity. Public charity classification is a more favorable tax status than private foundation classification. If you are a private foundation, this part will further determine whether you are a private operating foundation.

1 Select the foundation classification you are requesting from the list below.

- ☐ You are described in 509(a)(1) and 170(b)(1)(A)(vi) as an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- ☐ You are described in 509(a)(2) as an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- ☐ You are described in 509(a)(1) and 170(b)(1)(A)(i) as a church or a convention or association of churches. Complete Schedule A.
- ☒ You are described in 509(a)(1) and 170(b)(1)(A)(ii) as a school. Complete Schedule B.
- ☐ You are described in 509(a)(1) and 170(b)(1)(A)(iii) as a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete Schedule C.
- ☐ You are described in 509(a)(1) and 170(b)(1)(A)(iv) as an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- ☐ You are described in 509(a)(1) and 170(b)(1)(A)(ix) as an agricultural research organization directly engaged in the continuous active conduct of agricultural research in conjunction with a college or university.
- ☐ You are described in 509(a)(3) as an organization supporting either one or more organizations described in 509(a)(1) or 509(a)(2) or a publicly supported section 501(c)(4), (5), or (6) organization. Complete Schedule D.
- ☐ You are described in 509(a)(4) as an organization organized and operated exclusively for testing for public safety.
- ☐ You are a publicly supported organization and would like the IRS to decide your correct classification.
- ☐ You are a private foundation.

1a As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check this box to confirm that your organizing document includes these provisions or you rely on state law. ☐

State specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document (Page/Article/Paragraph) or state that you rely on state law.

1b Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? ☐ Yes ☐ No
If "Yes," complete Schedule H - Section II.

1c Are you a private operating foundation? ☐ Yes ☐ No

To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations.

Part VII Foundation Classification *(continued)*

- 1d** Describe how you meet the requirements for private operating foundation status, including how you meet the income test and either the assets test, the endowment test, or the support test. If you've been in existence for less than one year, describe how you are likely to satisfy the requirements for private operating foundation status.

- 2** If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(1) and 170(b)(1)(A)(vi) in existence for five or more tax years, you must have received one-third or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities; or 10% or more of your total support from governmental agencies, contributions from the general public, and contributions or grants from other public charities and the facts and circumstances indicate you are a publicly supported organization. Calculate whether you meet this support test for your most recent five-year period.

- i. Did you receive contributions from any person, company, or organization whose gifts totaled more than the 2% amount of line 8 in Part VI-A? ☐ Yes ☐ No

If "Yes," identify each person, company, or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

- ii. Based on your calculations, did you receive at least one-third of your support from public sources or did you normally receive at least 10 percent of your support from public sources and you have other characteristics of a publicly supported organization? ☐ Yes ☐ No

- 2a** If you have been in existence more than 5 years, you must confirm your public support status. To confirm your qualification as a public charity described in 509(a)(2) in existence for five or more tax years, you must have normally received more than one-third of your support from contributions, membership fees, and gross receipts from activities related to your exempt functions, or a combination of these sources, and not more than one-third of your support from gross investment income and net unrelated business income. Calculate whether you meet this support test for your most recent five-year period.

- i. Did you receive amounts from any disqualified persons? ☐ Yes ☐ No

If "Yes," identify each disqualified person by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

- ii. Did you receive amounts from individuals or organizations other than disqualified persons that exceeded the greater of \$5,000 or 1% of the amount on line 10 of Part VI-A Statement of Revenues and Expenses? ☐ Yes ☐ No

If "Yes," identify each individual or organization by letter (A, B, C, etc.) and indicate the amount contributed by each. Keep a list showing the name of and amount contributed by each of these donors for your records.

- iii. Based on your calculations, did you normally receive more than one-third of your support from a combination of gifts, grants, contributions, membership fees, and gross receipts (from permitted sources) from activities related to your exempt functions and normally receive not more than one-third of your support from investment income and unrelated business taxable income? ☐ Yes ☐ No

Part VIII Effective Date

In general, a determination letter recognizing exemption of an organization described in section 501(c)(3) is effective as of the date of formation of an organization if: (1) its purposes and activities prior to the date of the determination letter have been consistent with the requirements for exemption; and (2) it has filed an application for recognition of exemption within 27 months from the end of the month in which it was organized.

1 Are you submitting this application within 27 months of the end of the month in which you were legally formed?

☒ Yes ☐ No

If "No," complete Schedule E.

Part IX Annual Filing Requirements

If you fail to file a required information return or notice for three consecutive years, your exempt status will be automatically revoked.

1 Certain organizations are not required to file annual information returns or notices (Form 990, Form 990-EZ, or Form 990-N, e-Postcard). If you are granted tax-exemption, are you claiming to be excused from filing Form 990, Form 990-EZ, or Form 990-N?

☐ Yes ☒ No

If "Yes," are you claiming you are excepted from filing because you are:

- ☐ A church or association of churches
- ☐ An integrated auxiliary (such as a men's or women's organization, religious school, mission society, or religious group)
- ☐ A church-affiliated organization (other than a section 509(a)(3) organization) that is exclusively engaged in managing funds or maintaining retirement programs and is described in Revenue Procedure 96-10, 1996-1 C.B. 577
- ☐ A school below college level affiliated with a church or operated by a religious order
- ☐ A mission society (other than a section 509(a)(3) supporting organization) sponsored by, or affiliated with, one or more churches or church denominations, if more than half of the society's activities are conducted in, or directed at, persons in foreign countries
- ☐ An affiliate of a governmental unit that meets the requirements of Revenue Procedure 95-48, 1995-2 C.B. 418 (other than a section 509(a)(3) supporting organization)
- ☐ Other (describe)

Part X Signature

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, and to the best of my knowledge it is true, correct, and complete.

Bret Moehlmann

(Type name of signer)

CFO

(Type title or authority of signer)

04/13/2021

(Date)

Upload checklist:

- ☒ Organizing document (and any amendments)
- ☒ Bylaws, if adopted
- ☐ Form 2848, Power of Attorney and Declaration of Representative (if applicable)
- ☐ Form 8821, Tax Information Authorization (if applicable)
- ☒ Supplemental responses (if applicable)
- ☐ Expedited handling request (if applicable)

Schedule A. Churches

- 1** Do you have a written creed, statement of faith, or summary of beliefs? If "Yes," describe your written creed, statement of faith, or summary of beliefs. ☐ Yes ☐ No

- 2** Do you have a literature of your own? If "Yes," describe your literature. ☐ Yes ☐ No

- 3** Do you have a formal code of doctrine and discipline? If "Yes," describe your code of doctrine and discipline. ☐ Yes ☐ No

- 4** Describe your religious hierarchy or ecclesiastical government.

- 5** Are you part of a group of churches with similar beliefs and structures? If "Yes," explain. ☐ Yes ☐ No

- 6** Do you have a form of worship? If "Yes," describe your form of worship. ☐ Yes ☐ No

- 7** Do you have regularly scheduled religious services? If "Yes," describe the nature of the services. ☐ Yes ☐ No

- 7a** What is the average attendance at your regularly scheduled religious services?

- 8** Do you have an established place of worship? If "Yes," describe your established place of worship or where you meet to hold regularly scheduled religious services. ☐ Yes ☐ No

Schedule A. Churches *(continued)*

9 Do you have an established congregation or other regular membership group? If "No," continue to Line 10. ☐ Yes ☐ No

9a How many members do you have?

9b Do you have a process by which an individual becomes a member? If "Yes," describe the process. ☐ Yes ☐ No

9c Do your members have voting rights, rights to participate in religious functions, or other rights? If "Yes," describe the rights your members have. ☐ Yes ☐ No

9d May your members be associated with another denomination or church? ☐ Yes ☐ No

9e Are all of your members part of the same family? ☐ Yes ☐ No

10 Do you conduct baptisms, weddings, funerals, or other religious rites? ☐ Yes ☐ No

11 Do you have a school for the religious instruction of the young? ☐ Yes ☐ No

12 Do you have ministers or religious leaders? If "Yes," describe these roles and explain whether the ministers or religious leaders are ordained, commissioned, or licensed after a prescribed course of study. ☐ Yes ☐ No

13 Do you have schools for the preparation of your ordained ministers or religious leaders? ☐ Yes ☐ No

14 Do you ordain, commission, or license ministers or religious leaders? If "Yes," describe the requirements for ordination, commission, or licensure. ☐ Yes ☐ No

15 Do you have other information you believe should be considered regarding your status as a church? If "Yes," explain. ☐ Yes ☐ No

Schedule B. Schools, Colleges, and Universities

- 1 Do you normally have a regularly scheduled curriculum, a regular faculty of qualified teachers, a regularly enrolled student body, and facilities where your educational activities are regularly carried on? ☒ Yes ☐ No
- 2 Is the primary function of your school the presentation of formal instruction? If "No," continue to Line 3. ☒ Yes ☐ No

2a Select the best description(s) of your school:

- ☒ Elementary school
- ☒ Secondary school
- ☐ Charter school
- ☐ College or university
- ☐ Technical school
- ☐ Other school (describe)

- 3 Are you a public school because you are operated by a state or subdivision of a state or operated wholly or predominantly from government funds or property? If "Yes," explain how you are operated by a state or subdivision of a state. Do not complete the remainder of Schedule B. ☐ Yes ☒ No

- 4 Were you formed or substantially expanded at the time of public school desegregation in the school district or county in which you are located? ☐ Yes ☒ No

- 5 Has a state or federal administrative agency or judicial body ever determined that you are racially discriminatory? If "Yes," explain. ☐ Yes ☒ No

- 6 Has your right to receive financial aid or assistance from a governmental agency ever been revoked or suspended? If "Yes," explain. ☐ Yes ☒ No

Information Required by Revenue Procedure 75-50 as Modified by Revenue Procedure 2019-22

- 7 Have you adopted a racially nondiscriminatory policy as to students in your organizing document, bylaws, or by resolution of your governing body? ☒ Yes ☐ No

State where the policy is located or if adopted by resolution of your governing body.

Bylaws, Article XIV, Section 1. Bylaws are attached.

- 8 Do your brochures, application forms, advertisements, and catalogues dealing with student admissions, programs, and scholarships contain a statement of your racially nondiscriminatory policy? If "Yes," continue to Line 9. ☐ Yes ☒ No

- 8a ☒ By checking this box, you agree that all future printed materials, including website content, will contain the required nondiscriminatory policy statement.

Schedule B. Schools, Colleges, and Universities (continued)

- 9** Have you made your racially nondiscriminatory policy known to all segments of the general community you serve by: a) publishing a notice of your policy in a newspaper of general circulation that serves all racial segments of the community; b) publicizing your policy over broadcast media in a way that is reasonably expected to be effective; or c) displaying a notice of your policy at all times on your primary, publicly accessible internet home page in a manner reasonably expected to be noticed by visitors to the homepage? If "Yes," continue to Line 10. ☐ Yes ☒ No

- 9a** ☒ By checking this box, you agree that you will publicize your nondiscriminatory policy in a way that meets the requirements of Revenue Procedure 75-50, 1975-2 C.B. 587, as modified by Revenue Procedure 2019-22, I.R.B. 1260.

- 10** Do or will you (or any department or division of your organization) discriminate in any way on the basis of race with respect to admissions, use of facilities or exercise of student privileges, faculty or administrative staff, or scholarship or loan programs? If "Yes," for any of the above, explain fully. ☐ Yes ☒ No

- 11** Complete the table below to show the racial composition for the current academic year and projected for the next academic year. If you are not operational, submit an estimate based on the best information available (such as the racial composition of the community you serve).

For each racial category, enter the number of (a) students, (b) faculty, and (c) administrative staff. Provide actual numbers rather than percentages for each racial category.

Racial Category	(a) Student Body		(b) Faculty		(c) Administrative Staff	
	Current Year	Next Year	Current Year	Next Year	Current Year	Next Year
White	959	959	134	137	13	14
AA	12	12	1	1	0	0
Asian	17	17	0	0	0	0
Indian/Haw	2	2	0	0	0	0
Other	79	79	2	2	0	0
Total	1,069	1,069	137	140	13	14

- 12** In the table below, enter the number and amount of loans and scholarships awarded to enrolled students by racial categories. Provide actual numbers rather than percentages for each racial category.

☐ Check here if you will not provide any loans or scholarships to students.

Racial Category	Number of Loans		Amount of Loans		Number of Scholarships		Amount of Scholarships	
	Current Year	Next Year	Current Year	Next Year	Current Year	Next Year	Current Year	Next Year
White	0	0	\$0	\$0	78	78	\$202,755	\$202,755
AA	0	0	\$0	\$0	6	6	\$21,032	\$21,032
Asian	0	0	\$0	\$0	1	1	\$8,660	\$8,660
Indian/Haw	0	0	\$0	\$0	0	0	\$0	\$0
Other	0	0	\$0	\$0	9	9	\$23,765	\$23,765
Total	0	0	\$0	\$0	94	94	\$256,212	\$256,212

Schedule B. Schools, Colleges, and Universities *(continued)*

- 13** List your incorporators, founders, board members, and donors of land or buildings, whether individuals or organizations.

Board of Directors (all individuals): Michael Papac, Steve Westendorf, John Wick, Todd Gill, Robyn Mick, Brad Ware, Steve Evans. Donor of Land and Buildings: Cole Community Church, Inc

- 14** Do any of your incorporators, founders, board members, and donors of land or buildings, whether individuals or organizations, have an objective to maintain segregated public or private school education? If "Yes," explain.

☐ Yes☒ No

- 15** Will you maintain records according to the nondiscrimination provisions contained in Revenue Procedure 75-50? If "No," explain.

☒ Yes☐ No

Schedule C. Hospitals and Medical Research Organizations

- 1** Are you a medical research organization (an organization whose principal purpose or function is medical research and which is directly engaged in the continuous active conduct of medical research) operated in conjunction with a hospital? If "No," continue to Line 2. ☐ Yes ☐ No

- 1a** Name the hospitals with which you have a relationship and describe the relationship.

- 1b** List your assets showing their fair market value and the portion of your assets directly devoted to medical research.

Do not complete the remainder of Schedule C.

- 2** Are you applying for exemption as a cooperative hospital service organization described in section 501(e)? ☐ Yes ☐ No
If "Yes," explain.

Do not complete the remainder of Schedule C.

- 3** Are all the doctors in the community eligible for staff privileges? If "No," give the reasons why and explain how the medical staff is selected. ☐ Yes ☐ No

Schedule C. Hospitals and Medical Research Organizations *(continued)*

- 4** Do or will you provide medical services to all individuals in your community who can pay for themselves or are able to pay through some form of insurance? If "No," explain. ☐ Yes ☐ No

- 5** Do you or will you maintain a full-time emergency room? If "Yes," continue to Line 6. ☐ Yes ☐ No

- 5a** Are you a specialty hospital or would emergency services be duplicative based on your region or locality? ☐ Yes ☐ No

- 6** Do you provide free or below cost services? If "Yes," describe your policy for determining when and to whom you provide these services and how these services promote the organization's benefit to the community. ☐ Yes ☐ No

- 7** Do you or will you carry on a formal program of medical training or medical research? If "Yes," describe such programs, including the type of programs offered, the scope of such programs, and affiliations with other hospitals or medical care providers with which you carry on the medical training or research programs. ☐ Yes ☐ No

- 8** Do you or will you carry on a formal program of community education? If "Yes," describe such programs, including the type of programs offered, the scope of such programs, and affiliation with other hospitals or medical care providers with which you offer community education programs. ☐ Yes ☐ No

Schedule C. Hospitals and Medical Research Organizations (continued)

- 9** Is your board of directors composed of a majority of individuals who are representative of the community you serve, or do you operate under a parent organization whose board of directors is composed of a majority of individuals who are representative of the community you serve? If "Yes," continue to Line 10. ☐ Yes ☐ No

- 9a** List each board member's name and business, financial, or professional relationship with the hospital. Also, identify each board member who is representative of the community and describe how that individual is a community representative. If you operate under a parent organization whose board of directors is not composed of a majority of individuals who are representative of the community you serve, provide the requested information for your parent's board of directors as well.

- 10** Do you operate a facility which is required by a state to be licensed, registered, or similarly recognized as a hospital? If "No," do not complete the rest of Schedule C. ☐ Yes ☐ No

- 10a** Do you conduct a community health needs assessment (CHNA) at least once every three years and adopt an implementation strategy to meet the community health needs identified in the assessment as required by section 501(r)(3)? If "No," explain. ☐ Yes ☐ No

- 10b** Do you have a written financial assistance policy (FAP) and a written policy relating to emergency medical care as required by section 501(r)(4)? If "No," explain. ☐ Yes ☐ No

Schedule C. Hospitals and Medical Research Organizations *(continued)*

10c Do you both (1) limit amounts charged for emergency or other medically necessary care provided to individuals eligible for assistance under your FAP to not more than amounts generally billed to individuals who have insurance covering such care, and (2) prohibit use of gross charges as required by section 501(r)(5)? If "No," explain.

☐ Yes☐ No

10d Do you make reasonable efforts to determine whether an individual is FAP-eligible before engaging in extraordinary collection actions as required by section 501(r)(6)? If "No," explain.

☐ Yes☐ No

Schedule D. Section 509(a)(3) Supporting Organizations

1 List the names, addresses, and EINs of the organizations you support.

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2 Are all your supported organizations public charities under section 509(a)(1) or (2)? If "Yes," continue to Line 3.

☐ Yes☐ No

2a Are your supported organizations tax exempt under section 501(c)(4), 501(c)(5), or 501(c)(6) and do your supported organizations meet the public support test under section 509(a)(2)? If "No," explain how each organization you support is a public charity under section 509(a)(1) or 509(a)(2).

☐ Yes☐ No

--

3 Which of the following describes your relationship with your supported organization(s)?

☐ A majority of your governing board or officers are elected or appointed by your supported organization(s). (Type I supporting organization)

☐ Your control or management is vested in the same persons who control or manage your supported organization(s). (Type II supporting organization)

☐ One or more of your officers, directors, or trustees are elected or appointed by the officers, directors, trustees, or membership of your supported organization(s), or one or more of your officers, directors, trustees, or other important office holders, are also members of the governing body of your supported organization(s), or your officers, directors, or trustees maintain a close and continuous working relationship with the officers, directors, or trustees of your supported organization(s). (Type III supporting organization)

4 Describe how your governing board and officers are selected. If you are a Type III organization, also describe how your officers, directors, or trustees maintain a close and continuous working relationship with the officers, directors, or trustees of your supported organization(s).

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Schedule D. Section 509(a)(3) Supporting Organizations (continued)

- 5** Do any persons who are disqualified persons (except individuals who are disqualified persons only because they are foundation managers) with respect to you or persons who have a family or business relationship with any disqualified persons appoint any of your foundation managers? If "Yes," (1) describe the process by which disqualified persons appoint any of your foundation managers, (2) provide the names of these disqualified persons and the foundation managers they appoint, and (3) explain how control is vested over your operations (including assets and activities) by persons other than disqualified persons. ☐ Yes ☐ No

- 6** Do any persons who are disqualified persons (except individuals who are disqualified persons only because they are foundation managers) have any influence regarding your operations, including your assets or activities? If "Yes," (1) provide the names of these disqualified persons, (2) explain how influence is exerted over your operations (including assets and activities), and (3) explain how control is vested over your operations (including assets and activities) by individuals other than disqualified persons. ☐ Yes ☐ No

- 7** Does your organizing document specify your supported organization(s) by name? ☐ Yes ☐ No
If "Yes" and you selected Type I above, continue to Line 8.
If "Yes," and you selected Type II, do not complete the rest of Schedule D.
If "No" and you selected Type III above, amend your organizing document to specify your supported organization(s) by name or you will not meet the organizational test and need to reconsider your requested public charity classification; then continue to Line 8.

- 7a** Does your organizing document name a similar purpose or charitable class of beneficiaries as to your supported organization(s)? If "No," amend your organizing document to specify your supported organization(s) by name, purpose, or class or you will not meet the organizational test and need to reconsider your requested public charity classification. ☐ Yes ☐ No

If you selected Type II above, do not complete the rest of Schedule D.

- 8** Do you or will you receive contributions from any person who alone, or combined with family members or an entity at least 35% controlled by that person, controls any of your supported organizations, or will you receive contributions from any family member of, or an entity at least 35% controlled by, any person who controls any of your supported organizations? If "Yes," explain. ☐ Yes ☐ No

If you selected Type I above, do not complete the rest of Schedule D.

Schedule D. Section 509(a)(3) Supporting Organizations *(continued)*

- 9 Do the officers, directors, or trustees of your supported organization have a significant voice in your investment policies, the timing and making of grants, the selection of grant recipients, and in otherwise directing the use of your income or assets? If "Yes," explain. ☐ Yes ☐ No

- 10 In each taxable year, do you or will you provide each of your supported organizations with (a) a written notice addressed to a principal officer of the supported organization describing the type and amount of all of the support you provided to the supported organization during the immediately preceding taxable year, (b) a copy of your most recently filed Form 990-series return or notice, and (c) a copy of your governing documents? If "No," explain. ☐ Yes ☐ No

- 11 Do you exercise a substantial degree of direction over the policies, programs, and activities of your supported organization(s) and appoint or elect (directly or indirectly) a majority of the officers, directors, or trustees of your supported organization(s)? If "Yes," explain. ☐ Yes ☐ No

- 12 Do substantially all of your activities directly further the exempt purposes of one or more supported organizations to which you are responsive by performing the functions of, or carrying out the purposes of, such supported organization(s) and but for your involvement would normally be engaged in by such supported organization(s). If "Yes," explain and do not complete the rest of Schedule D. ☐ Yes ☐ No

Schedule D. Section 509(a)(3) Supporting Organizations *(continued)*

- 13** Do you distribute at least 85% of your annual net income or 3.5% of the aggregate fair market value of all of your non-exempt-use assets (whichever is greater) to your supported organization(s)? If "No," explain.

☐ Yes ☐ No

- 13a** How much do you contribute annually to each supported organization?

- 13b** What is the total annual revenue of each supported organization?

- 13c** Do you or the supported organization(s) earmark your funds for support of a particular program or activity? If "Yes," explain.

☐ Yes ☐ No

Schedule E. Effective Date

- 1** Are you applying for reinstatement of exemption after being automatically revoked for failure to file required returns or notices for three consecutive years? If "No," continue to Line 2. ☐ Yes ☐ No

- 1a** Revenue Procedure 2014-11, 2014-1 C.B. 411, provides procedures for reinstating your tax-exempt status. Select the section of Revenue Procedure 2014-11 under which you want us to consider your reinstatement request.

- ☐ Section 4. You are seeking retroactive reinstatement under section 4 of Revenue Procedure 2014-11. By selecting this line, you attest that you meet the specified requirements of section 4, that your failure to file was not intentional, and that you have put in place procedures to file required returns or notices in the future. Do not complete the rest of Schedule E.
- ☐ Section 5. You are seeking retroactive reinstatement under section 5 of Revenue Procedure 2014-11. By selecting this line, you attest that you meet the specified requirements of section 5, that you have filed required annual returns, that your failure to file was not intentional, and that you have put in place procedures to file required returns or notices in the future.
- Describe how you exercised ordinary business care and prudence in determining and attempting to comply with your filing requirements in at least one of the three years of revocation and the steps you have taken or will take to avoid or mitigate future failures to file timely returns or notices. Do not complete the rest of Schedule E.
- ☐ Section 6. You are seeking retroactive reinstatement under section 6 of Revenue Procedure 2014-11. By selecting this line, you attest that you meet the specified requirements of section 6, that you have filed required annual returns, that your failure to file was not intentional, and that you have put in place procedures to file required returns or notices in the future.
- Describe how you exercised ordinary business care and prudence in determining and attempting to comply with your filing requirements in each of the three years of revocation and the steps you have taken or will take to avoid or mitigate future failures to file timely returns or notices. Do not complete the rest of Schedule E.
- ☐ Section 7. You are seeking reinstatement under section 7 of Revenue Procedure 2014-11, effective the date you are filling this application. Do not complete the rest of Schedule E.

- 2** Generally, if you did not file Form 1023 within 27 months of formation, the effective date of your exempt status will be the date you filed Form 1023 (submission date). Requests for an earlier effective date may be granted when there is evidence to establish you acted reasonably and in good faith and the grant of relief will not prejudice the interests of the government.

- ☐ Check this box if you accept the submission date as the effective date of your exempt status. Do not complete the rest of Schedule E.
- ☐ Check this box if you are requesting an earlier effective date than the submission date.

- 2a** Explain why you did not file Form 1023 within 27 months of formation, how you acted reasonably and in good faith, and how granting an earlier effective date will not prejudice the interests of the Government.

You may want to include the events that led to the failure to timely file Form 1023 and to the discovery of the failure, any reliance on the advice of a qualified tax professional and a description of the engagement and responsibilities of the professional as well as the extent to which you relied on the professional, a comparison of (1) what your aggregate tax liability would be if you had filed this application within the 27-month period with (2) what your aggregate liability would be if you were exempt as of your formation date, or any other information you believe will support your request for relief.

Schedule F. Low-Income Housing

- 1** Describe each facility including the type of facility, whether you own or lease the facility, how many residents it can accommodate, the current number of residents, and whether the residents purchase or rent housing from you.

- 2** Describe who qualifies for your housing in terms of income levels or other criteria and explain how you select residents.

- 3** Do you meet the safe harbor requirements outlined in Revenue Procedure 96-32, 1996-1 C.B. 717, which provides guidelines for providing low-income housing that will be treated as charitable, including for each project that (a) at least 75 percent of the units are occupied by residents that qualify as low-income and (b) either at least 20 percent of the units are occupied by residents that also meet the very low-income limit for the area or 40 percent of the units are occupied by residents that also do not exceed 120 percent of the area's very low-income limit, and less than 25 percent of the units are provided at market rates to persons who have incomes in excess of the low-income limit?

☐ Yes☐ No

- 4** Is your housing affordable to low-income residents? If "Yes," describe how your housing is made affordable to low-income residents.

☐ Yes☐ No

- 5** Do you impose any restrictions to make sure that your housing remains affordable to low-income residents? If "Yes," describe these restrictions.

☐ Yes☐ No

Schedule F. Low-Income Housing *(continued)*

- 6 In addition to rent or mortgage payments, do residents pay periodic fees or maintenance charges? If "Yes," describe what these charges cover and how they are determined. ☐ Yes ☐ No

- 7 Do you provide social services to residents? If "Yes," describe these services. ☐ Yes ☐ No

- 8 Do you participate in any government housing programs? If "Yes," describe these programs. ☐ Yes ☐ No

Schedule G. Successors to Other Organizations

- 1** List the name, last address, and EIN of your predecessor organization and describe its activities.

Cole Community Church 8775 Ustick Road, Boise, ID 83704 EIN: 82-0300079. See Statement 4 for a description of activities.

- 2** List the owners, partners, principal stockholders, officers, and governing board members of your predecessor organization. Include their names, addresses, and share/interest in the predecessor organization (if for-profit).

See Statement 5.

- 3** Are you a successor to a for-profit organization? If "Yes," explain your relationship with the predecessor organization that resulted in your creation and explain why you took over the activities or assets of a for-profit organization or converted from for-profit to nonprofit status; continue to Line 4.

☐ Yes

☒ No

- 3a** Explain your relationship with the other organization that resulted in your creation and why you took over the activities or assets of another organization.

Cole Valley Christian Schools has operated as a ministry of Cole Community Church since its inception. Hence, the school and church share similar missions which are focused on making disciples. See Statement 6 for the drivers leading to a separation of the school from the church.

Schedule G. Successors to Other Organizations (continued)

- 4 Do or will you maintain a working relationship with any of the persons listed in question 2 or with any for-profit organization in which these persons own more than a 35% interest? If "Yes," describe the relationship. ☒ Yes ☐ No

See Statement 7 for an explanation of the working relationship between Cole Community Church and Cole Valley Christian Schools moving forward.

- 5 Were any assets transferred, whether by gift or sale, from the predecessor organization to you? If "Yes," provide a list of assets, indicate the value of each asset, explain how the value was determined, and attach an appraisal, if available. For each asset listed, also explain if the transfer was by gift, sale, or combination thereof and describe any restrictions that were placed on the use or sale of the assets. ☒ Yes ☐ No

See Statement 8 for a list of transferred assets.

- 6 Were any debts or liabilities transferred from the predecessor for-profit organization to you? If "Yes," provide a list of the debts or liabilities that were transferred to you, indicating the amount of each, how the amount was determined, and the name of the person to whom the debt or liability is owed. ☒ Yes ☐ No

See Statement 9 for a list of debts assumed.

- 7 Will you lease or rent any property or equipment to or from the predecessor organization or any persons listed in Line 2 or a for-profit organization in which these persons own more than a 35% interest? If "Yes," describe the arrangement(s) including how the lease or rental value was determined. ☒ Yes ☐ No

Utilities costs at the elementary campus in Boise are allocated according to a shared cost agreement. The attached Asset Purchase and Transfer Agreement specifies CVCS has the right to lease space for its elementary campus from the church for a nominal fee of \$100 annually for the next five years. This is not an accurate, fair market value, but was chosen to create consideration for the contract. The Asset Purchase and Transfer Agreement also specifies that equipment leases are to be transferred to Cole Valley Christian Schools.

Schedule H. Organizations Providing Scholarships, Fellowships, Educational Loans, or Other Educational Grants to Individuals and Private Foundations Requesting Advance Approval of Individual Grant Procedures**Section I** Public charities and private foundations complete lines 1 through 8 of this section.

- 1** Describe the types of educational grants you provide to individuals, such as scholarships, fellowships, loans, etc., including the purpose, number and amount(s) of grants, how the program is publicized, and if you award educational loans, the terms of the loans.

See Statement 10 for a description of educational scholarships provided to individuals.

- 2** Do you maintain case histories showing recipients of your scholarships, fellowships, educational loans, or other educational grants, including names, addresses, purposes of awards, amount of each grant, manner of selection, and relationship (if any) to officers, trustees, or donors of funds to you? If "No," explain. ☒ Yes ☐ No

- 3** Describe the specific criteria you use to determine who is eligible for your program (for example, eligibility selection criteria could consist of graduating high school students from a particular high school who will attend college, writers of scholarly works about American history, etc.).

See Statement 11 for a description of specific criteria used to determine eligibility for the scholarship program.

- 4** Describe the specific criteria you use to select recipients (for example, specific selection criteria could consist of prior academic performance, financial need, etc.).

See Statement 12 for a description of specific criteria used to select recipients.

Schedule H. Organizations Providing Scholarships, Fellowships, Educational Loans, or Other Educational Grants to Individuals and Private Foundations Requesting Advance Approval of Individual Grant Procedures *(continued)*

- 5** Describe any requirement or condition you impose on recipients to obtain, maintain, or qualify for renewal of a grant (for example, specific requirements or conditions could consist of attendance at a four-year college, maintaining a certain grade point average, teaching in public school after graduation from college, etc.).

See Statement 13 for the requirements the school imposes to obtain, maintain, or qualify for renewal of tuition discounts.

- 6** Describe your procedures for supervising the scholarships, fellowships, educational loans, or other educational grants. Explain whether you obtain reports and grade transcripts from recipients, or you pay grants directly to a school under an arrangement whereby the school will apply the grant funds only for enrolled students who are in good standing. Also, describe your procedures for taking action if the terms of the award are violated.

See Statement 14 for a description of the procedures used for supervising the scholarships.

- 7** How do you determine who is on the selection committee for the awards made under your program?

See Statement 15 for a description of how the selection committee is determined.

- 8** Are relatives of members of the selection committee, or of your officers, directors, or substantial contributors eligible for awards made under your program? If "Yes," what measures do you take to ensure unbiased selections?

☒ Yes ☐ No

See Statement 16 for a description of the measures taken to ensure unbiased selections.

Do not complete the rest of Schedule H. If you are a private foundation, you will be directed to complete Section II of Schedule H later in the application.

Schedule H. Organizations Providing Scholarships, Fellowships, Educational Loans, or Other Educational Grants to Individuals and Private Foundations Requesting Advance Approval of Individual Grant Procedures *(continued)***Section II****Private foundations complete lines 1 through 7 of this section. Public charities do not complete this section.**

- 1** As a private foundation, do you want this application to be considered as a request for advance approval of grant making procedures? ☐ Yes ☐ No

If "No," do not complete the rest of Schedule H.

- 1a** Check the box(es) indicating under which section(s) you want your grant making procedures to be considered.

- ☐ 4945(g)(1) - Scholarship or fellowship grant to an individual for study at an educational institution
- ☐ 4945(g)(3) - Other grants, including loans, to an individual for travel, study, or other similar purposes, to enhance a particular skill of the grantee or to produce a specific product

- 2** Do you represent that you will (1) arrange to receive and review grantee reports annually and upon completion of the purpose for which the grant was awarded, (2) investigate diversions of funds from their intended purposes, and (3) take all reasonable and appropriate steps to recover diverted funds, ensure other grant funds held by a grantee are used for their intended purposes, and withhold further payments to grantees until you obtain grantees' assurances that future diversions will not occur and that grantees will take extraordinary precautions to prevent future diversions from occurring? ☐ Yes ☐ No

- 3** Do you represent that you will maintain all records relating to individual grants, including information obtained to evaluate grantees, identify whether a grantee is a disqualified person, establish the amount and purpose of each grant, and establish that you undertook the supervision and investigation of grants described in Line 2? ☐ Yes ☐ No

- 4** Do you or will you award scholarships, fellowships, and educational loans to attend an educational institution based on the status of an individual being an employee of a particular employer? ☐ Yes ☐ No

If "No," do not complete the rest of Schedule H.

- 5** Will you comply with the seven conditions and either the percentage tests or facts and circumstances test for scholarships, fellowships, and educational loans to attend an educational institution as set forth in Revenue Procedures 76-47, 1976-2 C.B. 670, and 80-39, 1980-2 C.B. 772, which apply to inducement, selection committee, eligibility requirements, objective basis of selection, employment, course of study, and other objectives? ☐ Yes ☐ No

- 6** Do you or will you provide scholarships, fellowships, or educational loans to attend an educational institution to employees of a particular employer? If "No," continue to Line 7. ☐ Yes ☐ No

- 6a** Will you award grants to 10% or fewer of the eligible applicants who were actually considered by the selection committee in selecting recipients of grants in that year as provided by Revenue Procedures 76-47 and 80-39? ☐ Yes ☐ No

- 7** Do you provide scholarships, fellowships, or educational loans to attend an educational institution to children of employees of a particular employer? ☐ Yes ☐ No

If "No," do not complete the rest of Schedule H.

- 7a** Will you award grants to 25% or fewer of the eligible applicants who were actually considered by the selection committee in selecting recipients of grants in that year as provided by Revenue Procedures 76-47 and 80-39? ☐ Yes ☐ No

If "Yes," do not complete the rest of Schedule H.

Schedule H. Organizations Providing Scholarships, Fellowships, Educational Loans, or Other Educational Grants to Individuals and Private Foundations Requesting Advance Approval of Individual Grant Procedures *(continued)*

- 7b** Will you award grants to 10% or fewer of the number of employees' children who can be shown to be eligible for grants (whether or not they submitted an application) in that year, as provided by Revenue Procedures 76-47 and 80-39? If "Yes," describe how you will determine who can be shown to be eligible for grants without submitting an application, such as by obtaining written statements or other information about the expectations of employees' children to attend an educational institution; do not complete the rest of Schedule H.

☐ Yes ☐ No

- 7c** Will you award grants based on facts and circumstances that demonstrate that the grants will not be considered compensation for past, present, or future services or otherwise provide a significant benefit to the particular employer? If "Yes," describe the facts and circumstances you believe will demonstrate that the grants are neither compensatory nor a significant benefit to the particular employer. In your explanation, describe why you cannot satisfy either the 25% test or the 10% test in questions 7a and 7b.

☐ Yes ☐ No

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 1

Attachment to Form 1023

Part I, Question 9

Name	Title	Mailing address
Michael Papac	President	823 S. Brentbrook Lane Eagle, ID 83616
Steve Westendorf	Vice President	3760 N. Kingswood Drive, Boise, ID 83704
John Wick	Secretary	4237 N. Star Vista Lane, Eagle, ID 83616
Allen Howlett	Superintendent & CEO	200 E. Carlton Avenue Meridian, ID 83642
Bret Moehlmann	CFO	200 E. Carlton Avenue Meridian, ID 83642
Todd Gill	Director	445 E. Clear Creek Drive, Meridian ID 83646
Robyn Mick	Director	12679 W. Collingwood St, Boise, ID 83709
Brad Ware	Director	2120 Mortimer Drive, Boise, ID 83712
Steve Evans	Director	13266 W. Dahlia Drive, Boise, ID 83713

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 2

Attachment to Form 1023

Part IV, Question 1

Cole Valley Christian Schools is a private Christian PreK-12 school serving southwest Idaho. The school serves approximately 1,100 students and employs over 150 staff. The school conducts four main activities: Biblically integrated classroom instruction, school administration, fundraising and athletics. These activities have been practiced in the school since it began operations and will continue in the future.

Biblically Integrated Classroom Instruction

Classroom instruction occurs at one of 2 campus locations. The elementary campus is in Boise, Idaho and hosts grades PreK through 6. The secondary campus is in Meridian, Idaho and serves grades 7-12. Classes are taught by qualified teachers that are certified by the Association of Christian Schools International (ACSI). Many are also state certified. The school spends approximately 64 percent of its time and funding in classroom instruction and the activity is generally funded from tuition and fees charged to school families and fundraising activities.

Our exempt purpose for which the corporation is organized is to establish, maintain, promote, and operate a Christian school that is charitable, religious and educational. Classroom instruction is critical to this purpose by allowing our staff the opportunity to impact individual students directly and purposely. Classroom instruction allows us to incorporate basic disciplines of mathematics, literary studies, history, science and other core objectives outlined by the State of Idaho. In addition, we are able to perform these objectives with a God-centered focus.

The heart of CVCS is to develop the whole person through a Christ-centered education and to prepare each student to achieve their fullest potential for God within their world. It is a privilege to prepare future generations of Christ followers. All academics are taught with the understanding that loving God with your mind involves striving to discover all the evidence of Himself that God has

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 2

Attachment to Form 1023

Part IV, Question 1

wired into His creation. Therefore, students are encouraged to go beyond the basic requirements with a heart to learn as much as possible.

Cole Valley Christian Schools seek to develop our students in each of these 6 distinctive areas alongside the influence of parents and the local church.

1. Spiritually - The single most important objective of CVCS is the spiritual shepherding of our students. The administration, faculty and staff recognize the daily pursuit of spiritual goals, using every opportunity presented during curricular and extracurricular activities to disciple students.
2. Academically - We recognize that each student is a unique creation with a potential known only by God. Therefore, we shepherd our students' intellectual gifts by promoting high academic standards, while accommodating any special academic need within our ability to serve. Our aim is to help our students realize their full academic potential by encouraging the desire to discover all the evidence of Himself that God has wired into all aspects of His creation.
3. Socially - Jesus calls us to live a Christian lifestyle in the midst of a world that does not recognize Him as Lord. Because God's will is that all come to know Him, we are to be a light in the darkness illuminating the way to Him. Our shepherding role with our students demands that we prepare them to live in a world that rejects God and His truth, without becoming of the world. We challenge them, in the power of the Holy Spirit, to achieve their fullest potential socially within and beyond our walls by loving their world for Jesus.
4. Physically - Shepherding the physical potential of our students is an integral part of our educational program. The human body that houses the Spirit and intellect must be properly cared for if a disciple of Christ is to impact

Cole Valley Christian Schools, Inc.

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Statement 2

Attachment to Form 1023

Part IV, Question 1

the world for Him. Through our athletics, physical education, health and lunch programs, your student will have ample opportunity to care for their bodies while attending Cole Valley Christian Schools.

5. Relationally - We were created for relationship; first with God, then with others. The health of our relationship with God determines our relationship with those around us. If we are spiritually growing and being made daily into the image of Jesus Christ, then our relationships with others will be filled with love, joy, peace, patience, kindness, goodness, faithfulness, gentleness and self-control. It is primarily through relationships that God evangelizes, using His disciples to make disciples. At Cole Valley Christian, your student will be encouraged to pour into their relationships with God and others.
6. Emotionally - God created us not only in His outward image, but also in His inward likeness, which includes our emotions (Genesis 1:26). We reflect Jesus as we express our emotions in ways that honor Him. For middle and high school students, managing emotions can often be challenging. We recognize that at times students carry emotional “weights” with them to school that can hinder their learning, their relationships, and their spiritual growth. At Cole Valley, we provide a safe place for students to talk about how they are feeling and learn how to manage their emotions in healthy ways so that they can reach their full potential in the Lord in every aspect of their lives. As we encourage healthy living in all of these areas, we have the privilege of seeing the Lord develop thriving, maturing students that bring Him glory.

Cole Valley Christian Schools, Inc.

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Statement 2

Attachment to Form 1023

Part IV, Question 1

Academic Distinctives

Specific curriculum distinctives at CVCS include the following:

- Science courses are taught from a creationist point of view since we believe that "In the beginning, God created...".
- Mathematics is taught as a mirror which reflects God's order and reliability in a unique way, rather than as an invention of man.
- Historical time-lines are set in the perspective of God's plan for the ages. We evaluate the impact of biblical principles and individual Christian faith on major historical themes such as exploration, colonization, economic progress, art, literature, and constitutional government.
- Language arts are taught to enhance and apply the values of the Christian faith. Because men are influenced by words, and all words communicate some value system; we strive to select and evaluate literature in the light of biblical values. We also give priority to mastery of the written and spoken word.
- Bible classes are an integral part of the CVCS curriculum. God's truth is "...profitable for teaching, for reproof, for correction, for training in righteousness, that the man of God may be adequate, equipped for every good work." (II Timothy 3:16, 17)
- All classes are presented in the light of biblical truth

Administration

Administration involves the overall management and structure provided to the organization to further and promote its efforts in classroom instruction, fundraising and athletics. Administrative staff consists of a superintendent, campus principals, campus vice-principals, counseling, career and college preparation, business office, human resources, and general office support. These activities are conducted at each campus location and the school dedicates about 26% of its time and funding to these activities. These activities are funded through tuition and fees.

Cole Valley Christian Schools, Inc.

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Statement 2

Attachment to Form 1023

Part IV, Question 1

Our exempt purpose for which the corporation is organized is to establish, maintain, promote, and operate a Christian school that is charitable, religious and educational. The administrative function is critical to this purpose in that it provides the school a management structure which fosters growth, ensures fiscal responsibility, maintains the school's focus on its stated purpose, and provides direction, accountability, and development opportunities to school staff.

Fundraising

We believe that God gave parents the responsibility to educate their children (Deut 4:9, 6:5-7; Psalm 78:5-8; Eph 6:4), and, therefore, we are serving parents by providing an education that aligns with their beliefs and values. We also believe that we are not a replacement for the Church, but rather a supplemental support in partnership with the Church for the equipping of our young people. This partnership is critical to who we are. Fundraising is an activity designed to provide opportunities to fulfill our mission of partnering with Christian families and lowering the financial burden through tuition and fees charged. Accordingly, the school sponsors multiple fundraisers throughout the year at various venues with all the proceeds going to the benefit of the school programs. The school spends an estimated 4% of its time and resources on fundraising activities, including 1 full-time dedicated employee. Fundraisers include:

- Golf scramble: Organized by parents and benefits our school's athletic programs. The activity is conducted at a local golf course and is funded through donations and sponsorships.
- Legacy Gala: Organized by the school's development director with the help of volunteer parents and students. The activity is conducted at various annual locations and all proceeds benefit the school's general gifting fund. The activity is funded through general donations and sponsorships.

Cole Valley Christian Schools, Inc.

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Statement 2

Attachment to Form 1023

Part IV, Question 1

- Year End Giving: Organized by the school's development director. This activity occurs in November and December and proceeds' typically benefit the school's general gifting fund.
- Multiple smaller, targeted fundraisers: Organized by a group or team leader in conjunction with our development director. These generally raise funds for a specific event or activity such as our Washington DC trip, drama and art shows, and athletics. All funds are used to support these school-sponsored activities.

Athletics

Athletics is central to the school's mission of shepherding and challenging the whole person. Our exempt purpose for which the corporation is organized is to establish, maintain, promote, and operate a Christian school that is charitable, religious and educational. The school views athletics as a critical educational component that allows the student to learn real-life lessons and apply biblical truth as they work in a team environment. Practices and games are conducted at our 2 campus locations and other local schools. The school hires qualified coaches to run the programs and the overall program is managed by an Athletic Director. Athletic funding derives from sports fees and donations. The school spends approximately 6% of its time on athletic activities. Current offerings include:

- Football
- Cross Country
- Volleyball
- Basketball
- Track
- Baseball
- Softball
- Golf
- Ski Club

Cole Valley Christian Schools, Inc.

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Statement 2

Attachment to Form 1023

Part IV, Question 1

The framework of our athletic programs is centered around specific distinctives. These concepts are what distinguish our program and align them to our central mission. They include:

As Jesus was preparing to depart, he prayed for his disciples, and then for all who would believe in Him through their message – which includes us today. His primary request of the Father was that we would be UNIFIED so an unbelieving world would look at us and see a picture of God’s love to humanity through his son Jesus Christ.

UNITY Within the Body – I Corinthians 12:12-26

For a group of believers (in this case an athletic team) to reach their potential, every member must recognize, embrace, and play their role to the best of their ability. Not every member is the same. Some play more on game night than others. Each has a slightly different function. Some players will offer their largest contribution in practice or in the social/spiritual dynamic of the team. But EVERY MEMBER is essential for the body to function properly and reach its potential.

Service to Others and Humility – Philippians 2:1-3

We look to the attitude of Jesus and his sacrificial love as our example. We are called to do nothing out of selfish ambition or vain conceit as we put others above ourselves. Sports are not always fair, and neither is life. In God’s strength we can choose to serve and humbly put others ahead of ourselves.

Refusing to Play in Fear – II Timothy 1:7

There is a myth in Christian athletics that we have to choose between being “Christian” and being “competitive.” On the contrary, the Bible says that part of honoring God with everything we do is being bold, strong, and courageous. We are told that in Jesus, we do NOT have a spirit of fear, but a spirit of POWER, LOVE, and SELF-CONTROL. We approach athletics with that spirit.

Cole Valley Christian Schools, Inc.

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Statement 2

Attachment to Form 1023

Part IV, Question 1

Striving to Win (Running in Such a Way) – I Corinthians 9:24-27

We do not see anything in scripture that would discourage us from desiring to win. But the emphasis is on the PROCESS (striving to win) rather than the OUTCOME (winning.) As Paul states in 1 Corinthians 9, we want to run IN SUCH A WAY as to get the prize. Winning becomes a by-product of taking a God-honoring approach to the process of playing the way we are called to play.

Accountability – Hebrews 12:7-11

Part of serving on a team and as a member of a body is willingly submitting to being held accountable by others, knowing that loving discipline and correction are part of healthy growth.

Cole Valley Christian Schools, Inc.

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Statement 3

Attachment to Form 1023

Part VI

Please note that the financial information provided in answer to this question reflects activities conducted by the school under the umbrella of Cole Community Church, our predecessor organization. See responses to questions in Schedule G for a description of the relationship with this organization.

Cole Valley Christian Schools, Inc.
 EIN: 86-2425049
 Statement 3
 Attachment for Form 1023
 Part VI, Question 25

Itemized Financial Data

	(1)				
	6/30/2020	6/30/2019	8/31/2018	8/31/2017	8/31/2016
Staff Development	\$86,426	\$82,394	\$106,526	\$82,727	\$112,579
Academics	\$290,236	\$221,722	\$379,011	\$415,305	\$442,147
Food	\$96,967	\$108,695	\$84,124	\$100,887	\$91,329
Supplies, facilities and maintenance	\$818,202	\$663,226	\$628,743	\$457,268	\$528,514
Dues and Subscriptions	\$18,040	\$5,954	\$9,024	\$23,813	\$16,856
Insurance	\$20,832	\$21,438	\$24,162	\$582	\$18,881
Sports activities	\$218,128	\$154,652	\$224,376	\$201,212	\$205,160
Loss/(Gain) on interest rate swap	\$216,242	\$195,701	(\$167,249)	(\$63,939)	(\$100,411)
Other	\$222,087	\$148,243	\$175,085	\$121,952	\$117,711
Bond Issuance Costs	\$0	\$0	\$0	\$119,537	\$0
	\$1,987,160	\$1,602,025	\$1,463,802	\$1,459,344	\$1,432,766

(1) Cole Valley Christian changed it's fiscal year-end from August to June effective September 1, 2018

Cole Valley Christian Schools, Inc.

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Statement 4

Attachment to Form 1023

Schedule G, Question 1

Predecessor Organization:

Cole Community Church

8775 Ustick Road

Boise, ID 83704

EIN: 82-0300079

Predecessor Organization Activities:

Cole Community Church is a church in Boise Idaho.

Cole Community Church exists to:

VISION

By God's Spirit, love and grace; making disciples of Jesus Christ (Matt. 28:16-20)

MISSION

Equipping disciples of Jesus Christ who grow in loving God, loving others and impacting the world.

CORE MINISTRY PRINCIPLES

Teaching

We are convinced that the submissive response to Scripture is the basis of living as a disciple. We believe that by His Spirit God speaks to us through His word and uses it to transform us. We emphasize expository teaching where "Scripture is laid open to public view in order to set forth its meaning, explain what is difficult to understand, and make appropriate application" (Richard Mayhue in Rediscovering Expository Preaching). (John 5:39-40 and II Tim. 3:16-17)

Prayer

We are convinced that prayer is foundational, and is the highest expression of a disciple's dependence on and relationship with God. We believe that prayer is a

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 4

Attachment to Form 1023

Schedule G, Question 1

conversation with God, not just a ritual and that it is necessary to deepen our personal walk with God. Prayer is primary in all of our ministries. (Matt. 6:7-9)

Relational Life

We are convinced that a deepening personal relationship with God is essential to being a disciple. Loving others through a life on life ministry of personal relationships is a primary way in which we help others grow deeper in relationship with God. We emphasize small group participation as an important way to mature that relationship. (Matt. 22:37-39)

Outward Focus

We are convinced that as disciples we are to invest ourselves and our resources in advancing our Lord's Kingdom. We encourage the people of this church to minister where gifted and called both in this church and outside. We are committed to being a church that equips and sends. We give ourselves away for the Kingdom. (II Cor. 8:1-5)

Ministry by the Saints

We are convinced that ministry is to be done by the saints in the context of incarnational and relational ministry. We are committed to investing ourselves in equipping people for ministry. We emphasize leadership teams for all our ministries.

(II Tim. 2:2 and I Pet. 2:9)

New Covenant Living

New Covenant ministry requires relying on the Spirit, rather than placing our trust in human resources. (II Cor. 3:4-6) We are convinced that only New Covenant ministry honors Christ and His gospel and leads to making maturing disciples. We emphasize grace in our teaching and in our ministries. (Eph. 2:8-10)

Cole Valley Christian Schools, Inc.

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Statement 4

Attachment to Form 1023

Schedule G, Question 1

Reaching the Lost

We are convinced that God calls His disciples to a life of actively sharing the Gospel with a lost world, through word and deed. We believe evangelism and outreach flow out of love for the Lord which translates into love for people. We encourage a missions mindset. (Acts 1:8)

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 5

Attachment to Form 1023

Schedule G, Question 2

Current Elders of Cole Community Church:

Name	Mailing address
Steve Evans	8774 Ustick Road Boise, ID
Duane Gray	8774 Ustick Road Boise, ID 83704
Steve Harrell	8774 Ustick Road Boise, ID 83704
Ron Hilbrands	8774 Ustick Road Boise, ID 83704
Art Ortman	8774 Ustick Road Boise, ID 83704
Rodd Ritchie	8774 Ustick Road Boise, ID 83704
Ted Spangler	8774 Ustick Road Boise, ID 83704

Cole Community Church is a nonprofit organization, so no share/interest applies to governing board members.

Cole Valley Christian Schools, Inc.

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Statement 6

Attachment to Form 1023

Schedule G, Question 3a

Cole Valley Christian Schools has operated as a ministry of Cole Community Church since its inception. Hence, the school and church share similar missions which are focused on making disciples.

The core drivers of the separation include:

- The Board of Cole Valley Christian School is commissioned to focus on the future, emphasizing proactivity, forward vision and strategic leadership. Of utmost priority is preserving fidelity to our mission of making disciples of Jesus Christ and standing firm on the truth of Scripture. The Board has been concerned about changes in Western culture and the impact those changes might have on the school and on Cole Community Church. Whenever it becomes clear that a proactive change is required, the Board institutes organizational changes to protect our ability to execute our mission.
- Revise the relationship with Cole Community Church to improve legal protections for both organizations while maintaining connection. Separate incorporation and separate governance for Cole Valley Christian Schools while maintaining one liaison board member with Cole Community Church.
- Cole Valley Christian Schools incorporates students from families representing over 100 local churches in Ada County, Idaho. Many people who don't attend Cole Community Church will not give to CVCS if they think they are giving to a church they don't attend. The separation better allows us to seek out and receive donations for our future.

Cole Valley Christian Schools, Inc.

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Statement 7

Attachment to Form 1023

Schedule G, Question 4

Cole Community Church has been an amazing partner and will continue to be a significant spiritual influence and companion in the future, with an independent structure between the two organizations. Cole Valley Christian Schools will maintain a working relationship with Cole Community Church through a provision in our bylaws that states that one and only one member of the Board of Directors shall be a member of the Elder Council of Cole Community Church, in deference to the role played by that church in the creation of the school. Please refer to the Cole Valley Christian Schools bylaws, Section 4, subsection B. Currently the liaison board member is Steve Evans.

Cole Valley Christian Schools, Inc.

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Statement 8

Attachment to Form 1023

Schedule G, Question 5

Assets will be transferred, but the agreement is in draft status and is not yet finalized, pending 501(c)(3) approval for Cole Valley Christian Schools.

See attached draft of Asset Purchase and Transfer Agreement and Bill of Sale for a description of the assets to be transferred from Cole Community Church to Cole Valley Christian Schools. These transferred assets contain no restrictions on their future use.

Total purchase price of assets in transfer is \$100. This is not an accurate fair market value but was chosen to create consideration for the contract. Attached statement of assets purchased shows our best estimate of fair market value at the present time.

Cole Valley Christian Schools, Inc.
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 Statement 8
 Attachment for Form 1023
 Schedule G, Question 5

Statement of Assets Purchased

Asset	Value	How Value Determined	Gift, Sale, or Combination	Restrictions
All books, records, mailing lists, customer lists, advertising and promotional materials, equipment maintenance records, library materials, and all other documents used by the Seller in the School	\$100,000	Estimate	Combination	None
All computers and related software, websites, office equipment, and office supplies used by the Seller in the School	\$100,000	Estimate	Combination	None
Phone system and any other technological equipment used by the School	\$150,000	Estimate	Combination	None
The trade name "Cole Valley Christian Schools" and associated goodwill and all copyrights, patents, trademarks, trade secrets, and other intellectual property and associated goodwill	Unknown	Unknown	Combination	None
The telephone number 208-947-1212	Unknown	Unknown	Combination	None
The internet domain name www.colevalleychristian.org and all variants owned by the Seller and/or used in the School	Unknown	Unknown	Combination	None
All social media accounts, including, without limitation Facebook, Google Plus, LinkedIn, Twitter and YouTube accounts, used in the School and all memberships	Unknown	Unknown	Combination	None
All educational materials of any sort	\$100,000	Estimate	Combination	None
All cash of the School as accounted on the Seller's financial records as attributable to Buyer, stated on the Effective Time	\$2,008,259	Cash balance per March 31, 2021 financial statements	Combination	None

Cole Valley Christian Schools, Inc.
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 Statement 8
 Attachment for Form 1023
 Schedule G, Question 5

Statement of Assets Purchased

Asset	Value	How Value Determined	Gift, Sale, or Combination	Restrictions
All sporting equipment of any sort used by the School	\$250,000	Estimate	Combination	None
All accounts receivable of the Seller relating to the School outstanding at the Effective Time	\$1,276,879	Accounts Receivable balance per March 31, 2021 financial statements	Combination	None
Real property located in Meridian, Idaho at and near 200 E. Carlton Avenue, as used for the operation of the School, as to which Seller shall execute an appropriate Warranty Deed, more specifically, the following:				
Parcel R7745460010 - Main School Building and Parking Lot	\$8,885,000	Most recent appraisal dated 3/31/2016	Combination	None
Parcel R6129010295 - Brewer Building Parking	\$250,000	Estimate	Combination	None
Parcel R6129010312 - Brewer Building	\$750,000	Estimate	Combination	None
Parcel R7745460020 - Annex Building	\$750,000	Estimate	Combination	None
Parcel R7745460030 - Gym and Parking Lot	\$4,000,000	Estimate	Combination	None
Parcel R7745460040 - Parking Lot East of Gym at South Corner	\$100,000	Estimate	Combination	None
Parcel S1107244450 - Field House and Land	\$1,000,000	Estimate based on recent offer to purchase	Combination	
Certain Modular Relocatable Classroom buildings located at 8775 W. Ustick Rd, Boise, Idaho 83704, used for elementary grades of the School, including modular units labeled as units 3,4,5,6,7,8,9 and 10	\$800,000	Estimate	Combination	None

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 9

Attachment to Form 1023

Schedule G, Question 6

See attached Asset Purchase and Transfer Agreement and Bill of Sale, Schedule 1 for a description of the assumed contracts and agreements transferred from Cole Community Church to Cole Valley Christian Schools.

In addition to these contracts and agreements, Cole Valley Christian Schools will assume the related debt attached to the above-referenced assets. This debt includes:

- \$4,900,000 dollar bond with US Bank with an unamortized balance of \$3,979,000 as of the date of this application
- \$552,500 dollar note with Bill G. and Joyce M. Brewer with an unamortized balance of \$538,782 as of the date of this application

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 10

Attachment to Form 1023

Schedule H, Question 1

The school offers academic tuition aid to families that are struggling financially. This past school year, the school awarded 60 families with financial aid totaling \$256,213 dollars.

The school will email families of current students about the availability and windows to apply for financial aid. Prospective students are not yet eligible for financial aid. No loans are awarded, only scholarships. Information about the availability and process of awarding financial aid can also be found on our website at: <https://www.colevalleychristian.org/admissions/tuition-aid.cfm>

Typically, applications are accepted between early March and mid- April. Awards are communicated by mid-May and are applied to the following academic year's tuition. Families in financial need must reapply annually for aid.

In addition to financial aid, the school awards the following additional tuition discounts. Unlike scholarships, tuition discounts don't have to be applied for and are automatically applied to eligible students:

- Multi-family – families that have more than one student enrolled at Cole Valley Christian receive a discount on the second and following students.
- Staff discounts – discounts provided to school staff, based on the staff member's status as full-time or part-time. These staffing discounts are part of the compensation package for staff to enable the school to recruit and retain the highest quality staffing possible.
- Pastor discounts - It is Cole Valley Christian Schools' desire to improve the accessibility of a Christ-centered education for pastors' families by providing a tuition discount for pastors' children.

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 11

Attachment to Form 1023

Schedule H, Question 3

Eligibility for financial aid is determined as follows:

- Scholarships – families must have a student enrolled in the school and reapply annually for financial aid awards. We use a third-party software company that provides us with an analysis of financial need for each applicant based on information provided by the families and supported by documentation provided as part of the application process.
- Multi-family – eligibility based on number of students enrolled for a specific family. Only families with more than one student enrolled are eligible.
- Staff – eligibility based on hours the staff is contracted to work in a fiscal year. Full-time staff receives a discount of 50% off current tuition rates per academic year. Part-time staff (less than 30 hours worked per week), but at least 500 hours worked in a fiscal year receive at least a 25% discount.
- Pastor - eligibility is based on several conditions. Required for all eligible pastors. The pastor must:
 - work for a church or ministry whose doctrinal beliefs align with the doctrinal beliefs of CVCS. In practice, we determine this requirement is met when the parent signs a statement of faith.
 - must be designated as 'clergy' by the IRS. This is determined by examining the parent's tax returns.
 - be full-time. This is determined by contacting the employer/church to confirm the pastor's employment status.

For the pastoral discount, the pastor must also meet one or both of the following requirements:

- At least half of their household income must come from their pastoral work.
- Receives their pay from a church who has at least 5 students who attend CVCS and:
 - Are not dependents of this, or other pastors in their church

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 11

Attachment to Form 1023

Schedule H, Question 3

- Designate the pastor's church as their home church in our database/on enrollment applications.

The Cole Valley Christian School board reserves the right to limit the number of discounts granted to any one church.

Eligible Pastors will receive a 50% tuition discount for their family. All other fees apply.

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 12

Attachment to Form 1023

Schedule H, Question 4

Selection criteria for the specific tuition discounts are as follows:

- Tuition aid – families submit financial data (tax returns, W2, loans, listing of assets, etc.) to a third party (FACTS) that assimilates the financial data into a report that identifies each family's financial need. FACTS Grant & Aid Assessment creates a custom application to securely collect families' financial data. Using the data provided by FACTS, our Tuition Aid Committee makes data-driven award decisions based on financial need. The school office also reaches out to families to ask about financial information that may not yet be reflected in prior year financial data to determine changes to financial need (a recent job loss, medical bills, etc.)
- Multi-family – awards based solely on the number of students a family has enrolled.
- Staff – all staff are recipients if they work greater than 500 hours in a fiscal year. Full-time staff receive a 50% tuition discount whereas part-time staff (less than 30 hours per week, but more than 500 hours) receive a minimum of a 25% tuition discount that increases to 50% as the total hours worked reach full-time status (30 or greater hours per week)
- Pastor – all pastors are recipients if they meet the qualifications outlined in question 3.

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 13

Attachment to Form 1023

Schedule H, Question 5

The requirements and/or conditions the school imposes to obtain, maintain, or qualify for renewal of tuition discounts is as follows:

Tuition aid – families must have an enrolled student; reapply every fiscal year for a determination of annual financial aid need; and maintain enrollment throughout the fiscal year

Multi-family – families must have more than student enrolled for the current fiscal year; and maintain enrollment throughout the fiscal year

Staff – the eligible staff must maintain a minimum number of hours worked; and maintain enrollment throughout the fiscal year

Pastor – the eligible pastor must continue to meet the criteria outlined in question 3; reapply each fiscal year; and maintain enrollment throughout the fiscal year

In addition to the above requirements, each student must maintain a minimum 2.0 GPA to continue enrollment in the school and be eligible for discounts and scholarships. There is no higher GPA requirement for financial aid above what is asked of all enrolled students.

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 14

Attachment to Form 1023

Schedule H, Question 6

Students that do not meet the school's admissions requirements are not enrolled, and therefore, ineligible for discounts. The admissions requirements are as follows:

- At least one parent must be a born-again Christian. If the birth parents are divorced, at least one parent in each of the student's parental homes must be a born-again Christian.
- At least one parent must sign the school's statement of faith. If the birth parents are divorced, at least one parent in each of the student's parental homes must sign the school's statement of faith.
- The student must have a minimum grade-point average of 2.0 on a 4.0 scale.

The discounts are supervised as follows:

- If a family enrolls or unenrolls a student that qualifies for any tuition discount, our admissions office notifies the business office of the change in student enrollment status. The business office will modify the existing discount to properly reflect the correct amount to award based on the student's new enrollment status. Future billings are adjusted accordingly
- Award terms are violated if the following changes occur:
 - Financial aid – a family receiving needs based financial assistance communicates a change to the school that indicates the need is no longer present
 - Multi-family - the number of students the family has enrolled in a given fiscal year drops to one
 - Staff – staff total contracted hours are set below 650 or the staff is dismissed from their contract and is no longer employed by the school

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 14

Attachment to Form 1023

Schedule H, Question 6

- Pastor – the school becomes aware that the parent receiving the discount is no longer employed as a full-time pastor or the family's wages from non-pastoral sources makes the pastor wages less than 50% of the total family wages

The admissions office maintains transcripts and monitors enrollment status. The admissions office notifies the business office of any change in the student's enrollment status or eligibility for financial aid or discounts. The business office adjusts the tuition fee for the affected student.

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 15

Attachment to Form 1023

Schedule H, Question 7

The school's tuition selection committee is empowered solely for awarding need-based scholarships under our tuition aid discounts, and is selected by the board. The committee is comprised of 2 board members and 1 administrator of the school. These committee members are required to abide by the school's conflict of interest policy and recuse themselves of decision making powers if they are compromised. Currently, none of the committee members have family members who are applicants to the need-based financial aid awards.

Cole Valley Christian Schools, Inc.

EIN: 86-2425049

Statement 16

Attachment to Form 1023

Schedule H, Question 8

Yes, family members of committee members could be eligible to apply for financial aid. The tuition aid committee members are required to abide by the school's conflict of interest policy and recuse themselves of decision making powers if they are compromised due to potential awards given to members of their family, relatives, or substantial contributors that they are in relationship with. The committee consists of a minimum of 3 individuals with the purpose to continue decision making processes even if one member of the committee is unable to fulfil their obligations due to a conflict of interest.

Articles of Incorporation (Non-Profit Religious) Idaho

Title 30, Chapters 21 and 30, Idaho Code

Base Filing fee: \$30.00 + \$20.00 for manual processing (form must be typed).

Article 1: The name of the corporation shall be Cole Valley Christian Schools, Inc.

Article 2: The purpose for which the corporation is organized is as follows. To establish, maintain, promote, and operate a Christian school that is charitable, religious/educational, and that may make distributions to organizations under 501(c)(3) of the Internal Revenue Code of 1954 (or any amendment thereof), and with the following purposes:

- To support, teach and conform to the Cole Valley Christian Schools Statement of Faith
- To support, teach and conform to the Mission of Discipleship as set forth in the Bylaws
- To teach and sustain the Deity of Christ
- To teach and sustain the Doctrine of the Trinity
- To teach and sustain the authority of Scripture including Biblical authority as to lifestyle issues
- To teach and sustain curriculum involving Christian Theology
- To teach and sustain the Apostle's Creed
- To explicitly integrate Christian Theology in some manner in all or most classes
- To require qualified Christian directors, officers, faculty and staff
- To require chapel for students, faculty, staff and officers, weekly or more often
- To accommodate, and make as a regular practice, prayer in classes and all events
- To conform to all aspects required for qualification and protection under the Religious Freedom Restoration Act

Article 3: No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. The Corporation may carry out its purposes and exercise its powers in any state, territory, district, or possession of the United States or any foreign country. The Board of Directors, subject to any specific written limitations or restrictions imposed by the State of Idaho or by these Articles of Incorporation, shall direct the carrying out of the purposes and exercise the powers of the Corporation. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in [including the publishing or distribution of statements of], any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of

the Internal Revenue Code of 1954 or (b) by a corporation to which contributions are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954.

Article 4: The Registered Agent name and address is: Michael Papac

Article 5: The Board of Directors shall consist of between five (5) and nine (9) members and membership shall be self-sustaining with existing members of the Board to appoint successors in accordance with the Bylaws. The names and address of the initial Directors are:

Michael Papac
Todd Gill
Steve Westendorf
John Wick
Steve Evans
Robyn Mick
Brad Ware

Article 6: Incorporator names and addresses

Michael Papac
823 S Brentbrook Ln
Eagle, ID 83616

Article 7: The Mailing Address of the corporation shall be 200 E. Carlton Ave - Meridian, ID 83642.


Article 8: The corporation does not have voting members.

Article 9: The Board of Directors shall have the power to alter, amend or repeal the Articles of Incorporation or any part of provision thereof or to adopt new Articles of Incorporation, but only by a unanimous vote of the Directors.

Article 10: Upon dissolution the assets shall be distributed to a 501(c)(3) Christian School with the same or similar mission as Cole Valley Christian Schools, Inc.

Signature of Incorporator:

Printed Name: Michael Papac

Signature: 

Phone Number: 208.860.7635

Email Address: michael.papac@cvcsonline.org

BYLAWS OF COLE VALLEY CHRISTIAN SCHOOLS

PREAMBLE

We, the Board of Directors, in response to the Bible's command that parents raise their children in the discipline and instruction of the Lord and believing that a Christian School, in partnership with parents, plays an important role in fulfilling this command, hereby make and adopt the following Bylaws for the organization and operation of Cole Valley Christian Schools.

ARTICLE I - NAME

The name of this school is Cole Valley Christian Schools (hereinafter Cole Valley).

ARTICLE II - STATEMENT OF FAITH

Each member of the Board of Directors, and each employee of the Corporation, having accepted Jesus Christ as personal Savior, shall subscribe annually in writing to the Cole Valley Statement of Faith, a copy of which is attached hereto.

ARTICLE III - CORPORATE MISSION OF THE SCHOOL IS DISCIPLESHIP

The Discipleship Mission of the School shall include all of the following, and such other elements as may be determined by a unanimous vote of the Board of Directors.

1. Teaching, living and affirming the Cole Valley Statement of Faith and Philosophy of Education, as referenced herein.
2. Teaching, living and affirming this Corporate Discipleship Mission.
3. Bible education for all students, and for Superintendent, faculty, staff and Directors.
4. Prayer in classrooms and at all events.
5. Spiritual growth for students, Superintendent, faculty, staff and Directors.
6. Affirmation of Cole Valley's Statement of Faith by parents of students.
7. Teaching, living and affirming biblically-infused curriculum in all classes where appropriate, and in specialized Bible teaching classes.
8. Explicit integration of theology in some manner into most or all classes.
9. Required chapel, at least weekly, for students, faculty, staff, and superintendent.
10. Membership in and accreditation by ACSI or a similar Christian accreditation and support organization.
11. Lifestyle teaching, pledges and commitment for Superintendent, faculty, staff, students, parents and Directors relating to God's commandments and Biblical requirements (as identified by the Board of Directors) for interpersonal relationships, gender identity, sex, marriage, drugs, abortion and other lifestyle requirements. Specifically, such lifestyle teaching, pledges and commitments shall include, but not be limited to:
 - i. Cole Valley requires its employees to be born-again Christians, living their lives as Christian role models (Mark 7: 14-23; Rom. 10:9-10; I Tim. 4:12; Luke 6:40). Employees will conduct themselves with honesty and integrity in a way that will not raise questions regarding their Christian

testimonies. A Christian lifestyle should reflect the biblical perspective of integrity and appropriate personal and family relationships, business conduct and moral behavior. An employee is expected to demonstrate a teachable spirit, an ability to share love for others, a willingness to live contentedly under authority and a commitment to follow the Matthew 18 principle when an issue arises with fellow employees or management. Failure to maintain a lifestyle based on biblical standards of conduct may result in a reprimand or, in some cases, dismissal from employment.

- ii. God wonderfully creates each person as male or female. These two distinct, complementary genders together reflect the image and nature of God. Marriage was designed by God to be the life-long union of one genetic man and one genetic woman, and only within the context of such a marriage does sexual intimacy have God's blessing. (Gen. 1:26-27; Gen. 2:20-24; Mark 10:2-9; Hebrews 13:4)
- iii. Sexual misconduct, which violates the bona fide occupational qualification for employees to be Christian role models, includes, but is not limited to, promiscuity, homosexual behavior and/or sexual orientation, bisexuality, polygamy, pedophilia, transgender identity, or any other violation of the unique roles of male and female. (Exodus 20:14; Leviticus 18:7-23; 20:10-21; Deuteronomy 5:18; Matthew 5:27-28; 15:19; Romans 1:21-27; 1 Corinthians 6:9-20).

ARTICLE IV - PHILOSOPHY OF EDUCATION

The educational process in a Christian school is dependent on a biblical philosophy that provides the foundational worldview and essential truths for life so that children may be prepared to assume their proper place in the home, the church, and the state. Accordingly, education at Cole Valley shall include integration of biblical content and truth generally throughout the curriculum as is appropriate.

ARTICLE V - BOARD OF DIRECTORS

Sec. 1 – Initiation and Agreement of Board of Directors.

The initial membership of the Board of Directors shall be determined in the Articles of Incorporation. All members of the Board of Directors shall be born-again believers and shall agree without reservation with Articles II, III and IV of the Bylaws. Further, they shall be members in good standing of a local, evangelical church whose doctrine is in agreement with Article II of the Bylaws. All board members shall execute and commit to the Board Member's Leadership Commitment attached hereto.

Sec. 2 - General Responsibilities.

Cole Valley's Board of Directors shall oversee the continuing operation of this ministry and generally oversee the school's business affairs. The responsibilities of the Board shall include, but not be limited to, making policy, acting on matters of personnel including hiring and firing pursuant to other provisions of the Bylaws, establishing tuition and fees, promoting Christian education in the community, and praying for the ministry of the school.

Sec. 3 - Board Member Number and Tenure.

- A. The number of board members shall be at least five but not more than nine. The number of Directors may be increased or decreased from time to time by the Board of Directors pursuant to amendment of this Bylaw by a supermajority (2/3) vote.
- B. Each board member shall serve on the Board of Directors until terminated by resignation or dismissal.

Sec. 4 - Board Member Qualifications.

- A. Members of the Board of Directors shall be born-again believers and subscribe without reservation to the school's Statement of Faith and Philosophy of Education. All members shall be commissioned Ministers of the Gospel as determined by the Board. All members shall be from churches with beliefs similar to the Statement of Faith and Mission specified herein.
- B. One and only one member of the Board of Directors shall be a member of the Elder Council of Cole Community Church, in deference to the role played by that church in the creation of the school. The appointment, change, and removal of the Cole Elder Council representative on the CVCS Board can be effected solely by the Cole Elder Council.
- C. No full-time, salaried employee shall be eligible to serve on the Board of Directors, except for the Superintendent who shall be an ex-officio member. No spouse of any current full-time, salaried employee shall be eligible to serve on the Board of Directors. However, the spouse of an existing board member may be hired as a full-time salaried employee if the Board of Directors unanimously approves.

Sec. 5 - Board Member Compensation.

Members of the Board of Directors shall receive no compensation for their services. The Board may authorize the reimbursement of expenses incurred by any board member in the performance of official business for the school or the Board as further noted in Article XIV, Sec. 4 of the Bylaws.

ARTICLE VI - NEW BOARD MEMBERS

Sec. 1 - Vacancies on the Board of Directors.

A vacancy on the Board of Directors shall be deemed to exist in the case of a Director's resignation, death, or removal from the Board.

Sec. 2 - Nominations for the Board of Directors.

- A. Candidates for the Board of Directors shall be nominated by the Board. Parents of students or other interested individuals may recommend candidates to the Board of Directors by submitting the name to the President of the Board for consideration by

the full Board.

- B. Such candidates must be interviewed prior to appointment to determine interest, suitability, and eligibility. All candidates shall meet the qualifications of board members as set forth in these Bylaws.

Sec. 3 - Appointment of Directors.

Any vacancy on the Board of Directors may be filled by a unanimous resolution of the remaining Directors, provided that the provisions of Article V, Section 4(B) shall supersede this section with regard to the Cole Elder Council representative on the Board.

Sec. 4 - Resignation or Dismissal from Board of Directors.

- A. After prayerful consideration, any board member may resign from office. He or she shall tender the resignation in a letter to the Board President.
- B. Any board member may be removed from the Board of Directors for failure to agree with Articles II and III, for excessive absence from regular and special meetings of the Board, or whenever such removal in the judgment of the Board would be in the best interest of the school. Removal shall require a unanimous vote of the Board of Directors.
- C. In view of the serious nature of a board member's involuntary removal from office, every effort shall be made by all parties to show Christian compassion and forbearance. Corrective measures and actions designed to promote genuine repentance and personal restoration shall be applied. Dismissal from the Board of Directors shall be a matter of "last resort." Any unpleasantness surrounding such action shall be dealt with quickly and take into account the dignity and personal privacy of the individual in question.
- D. In the event that a board member who has left the Board of Directors was an officer, another member shall be designated by majority resolution of the Board to assume the responsibilities of the office now vacant.

ARTICLE VII - DUTIES OF THE BOARD OF DIRECTORS

Sec. 1 - Duties of Board.

- A. The Board of Directors helps set the spiritual tone for the school. Board members shall pray both individually and corporately for the administration, faculty, staff, parents, and children of the school. They will be inclined to prayer, ever mindful of their own dependence on God for His grace and wisdom manifest in their leadership.
- B. The primary function of the Board of Directors is to set school policy, not to administer the school. The daily administration is the work of the Superintendent. The Board's policies set the boundaries within which the Superintendent administers the school.

- C. The Board's authority is corporate. Individual board members have authority to act only when the Board is convened in regular or special session. There shall be only one line of authority, which will flow from the Board of Directors through its President to the Superintendent, who is charged with the responsibility for properly conveying the decisions and actions of the Board to the faculty, staff, students, and parents as appropriate.
- D. The Board of Directors is responsible for procurement, protection, maintenance, and management of the property and equipment of the school.
- E. The Board of Directors shall oversee the general financial operation of the school by approving annual budgets, reviewing monthly financial reports, overseeing methods of raising necessary operating funds and how these funds shall be disbursed. The Board shall require a certified financial audit on an annual basis. The Board shall adopt a policy requiring officers, employees, or others responsible for any aspect of the finances of the Corporation to make accurate and complete financial accounting to the Board and shall encourage the reporting to the Board of any suspected financial impropriety.
- F. The Board of Directors shall have the authority to borrow money in the name of the school, but all measures will be taken to operate with a balanced budget.
- G. The Board of Directors shall determine the fiscal year for the school.
- H. The Board of Directors shall exercise due care to determine that the school operates according to accepted legal principles which should include, but not be limited to, obtaining competent legal advice, and consideration of safety and personnel issues.
- I. A significant duty of the Board of Directors is the selection of its Administrative Officer (Superintendent). The Superintendent will implement the Board's legislated policies and directives and manage the day-to-day operation of the school. The annual evaluation of the Superintendent is the responsibility of the entire Board of Directors.
- J. The Board of Directors shall reserve the right to dismiss any personnel associated with the school who do not fulfill the requirements set forth in these Bylaws or in their employment agreement, or who fail to be a Christian role Cole Valley.
- K. The Board of Directors shall ensure that a Faculty and Staff Handbook is developed, revised as needed, and annually made available to all employees.
- L. The Board of Directors shall approve the educational standards of achievement for the school.
- M. The Board of Directors shall evaluate itself annually. Each member shall also evaluate his or her willingness and ability to continue in a Board position. Individual board members shall annually sign the **Leadership Commitment** form attached hereto.
- N. The Board of Directors shall undertake professional governance and board training within 90 days of its first meeting, or within 90 days of a new board member's appointment, and annually thereafter.

Sec. 2 - Committees.

- A. The Board of Directors shall operate using Standing Committees as it may determine; such Committees may, but need not, include the following with the responsibility to review and make recommendations in its assigned area for consideration and action by the full Board.

Academic Affairs
 Finance and Development
 Accounting
 Personnel
 Building and Grounds
 Legal/Legislative

- C. Each Standing Committee preferably should have no fewer than two board members appointed by the Board President. One of the board members shall chair the committee. The President may appoint interested parents or individuals to serve on the committees.
- D. The Board of Directors may from time to time establish ad hoc committees made up of board members or other interested individuals to deal with specific issues in the school. Upon completion of its assigned task, such ad hoc committee shall dissolve.

ARTICLE VIII - OFFICERS OF THE BOARD

Sec. 1 - The Board of Directors shall elect Officers of the Board from among its members every two years. The duties of the Officers shall be limited to the following:

- A. President. The President shall preside at all Board of Directors meetings and perform such other duties as approved by the Board. The President shall be the Superintendent's point of contact with the Board when the Board is not in session.
- B. Vice President. The Vice President shall be responsible for devotions at each board meeting. The Vice President shall perform the duties of the President in the latter's absence, disability, or refusal to act. When so acting, the Vice President shall have all powers of and be subject to all the restrictions upon the President.
- C. Secretary. The Secretary shall be responsible for recording the minutes of any and all meetings of the Board. The Secretary shall have custody of the Board records and documents and shall conduct necessary correspondence and perform other duties associated with the office.

ARTICLE IX - MEETINGS

Sec. 1 - Regular Meetings.

- A. Regular meetings of the Board of Directors shall convene at least once a month during the school year. The Secretary shall provide timely notice to members of the time

and place of the meeting.

- B. Regular meetings of the Board of Directors are generally not open meetings. However, school parents or staff members may attend a Board of Directors meeting, except for executive session, by special request with advance notice and permission from the President of the Board of Directors.
- C. The President of the Board of Directors, in consultation with the Superintendent, shall prepare an agenda for regular meetings of the Board. Such agendas shall be mailed, electronically or physically, to each Director prior to the scheduled regular meeting.
- D. The Board of Directors has the right to meet in executive session.
 - 1. An executive session can be called by any Director during a portion of any meeting for the purpose of discussing personnel and other sensitive matters.
 - 2. Executive sessions shall have in attendance all Directors present at said meeting, the Superintendent, and any other persons who are specifically asked to attend this session by the Board President. When the executive session is for the purpose of evaluating the Superintendent, the Superintendent may be asked not to attend.
 - 3. No official business shall be transacted in the executive session. Rather, the time spent in executive session shall be used to discuss the sensitive matter at hand. When the Board reconvenes following an executive session, any decision shall be made and stated officially so that the Board Secretary can record such decision in the official minutes.

Sec. 2 - Special Meetings.

- A. Special meetings of the Board of Directors may be called by the President of the Board or by a majority of the board members.
- B. Notice of the time and place of all special meetings of the Board of Directors shall be given to each Director at least 24 hours prior to the scheduled special meeting.

Sec. 3 - Emergency Action.

In an emergency, the President of the Board may poll the full Board to secure authorization for a given course of action.

Sec. 4 - Presumption of Assent.

Any member of the Board who is present at a meeting of the Board of Directors at which action is taken shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the Director files his or her written dissent to the action taken with the Secretary prior to the next regularly scheduled meeting. The right to dissent shall not apply to a Director who has voted in favor of the action.

Sec. 5 - Waiver and Consent.

The transactions of any meeting of the Board of Directors, however called or noticed, shall be valid as though they occurred at a meeting duly held after regular call and notice, if a quorum is present and if either before or after the meeting each of the Directors not present signs a written waiver of notice or a consent to the holding of such meeting or an approval of the minutes thereof.

Sec. 6 - Quorum.

- A. At all meetings of the Board of Directors, whether regular or special, the presence in person of a majority of members shall constitute a quorum for the transaction of business. Only members may vote at any meetings of the Board of Directors, and proxies shall not be valid for voting.
- B. In the absence of a quorum, a minority of Directors may adjourn any meeting of the Board from time to time, without notice other than announcement at the meeting, until a quorum shall be present. A minority of Directors may not transact any business except the filling of vacancies on the Board of Directors if there are not sufficient Directors to constitute a quorum as provided in these Bylaws.
- C. In all matters that require a Unanimous vote, Unanimous means that all CVCS Board members voted their assent. In other words, a quorum that is not inclusive of the Cole Elder representative is not sufficient in order to take action on these matters.

Sec. 7 – The Board shall have regular periodic offsite planning meetings as determined by the Board of Directors.

Sec. 8 - Robert's Rules of Order. Meetings of the Board of Directors shall be governed by Robert's Revised Rules of Order as specified for application to Small Boards.

ARTICLE X – SUPERINTENDENT AND CHAPLAIN

Sec. 1 - The Superintendent shall be appointed by the Board of Directors upon a unanimous vote. He or she shall be the chief executive officer of the school and shall carry out the policies established by the Board. The Superintendent shall be an ex-officio (nonvoting) member of the Board.

Sec. 2 - The Superintendent shall be born-again believer and subscribe without reservation to the school's Statement of Faith and Philosophy of Education. He or she shall be a Christian role model in the school and community. He or she shall be a Commissioned Minister of the Gospel as determined by the Board of Directors. The Superintendent shall commit to and abide by Articles II, III, and IV herein.

Sec. 3 - The Superintendent's responsibilities are to be defined in a job description approved by the Board of Directors. The Superintendent shall be responsible for all Operations, Advancement, Academic and Personnel matters of the school.

Sec. 4 - The Superintendent shall be appointed for a term as specified by written contract after

careful consideration of his or her spiritual and academic qualifications and Board-conducted evaluation.

Sec. 5 - The Board of Directors shall evaluate the Superintendent annually on the basis of his or her job description and other factors.

Sec. 6 - The School shall employ a full or part-time Chaplain (as determined by the Superintendent). The Chaplain shall report to the Superintendent, and the Superintendent may not serve as Chaplain.

ARTICLE XI - INDEMNIFICATION

Sec. 1 - Definitions.

For purposes of this Article:

- A. The phrase *Director or Officer* shall include a person who, while serving as a Director or an Officer of the Corporation, is or was serving at the request of the Corporation as Director, School Board Member, Officer, Superintendent, partner, member, manager, trustee, employee, fiduciary, or agent of another foreign or domestic corporation, nonprofit organization, or other person or employee benefit plan. The phrase *Director or Officer* shall also include the estate or personal representative of a Director or Officer, unless the context requires otherwise.
- B. The term *proceeding* shall mean any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, whether formal or informal; any appeal in such action, suit, or proceeding; and any inquiry or investigation that could lead to such action, suit, or proceeding.
- C. The term *party* includes an individual who is, was, or is threatened to be made a named defendant or respondent in a proceeding.
- D. The term *liability* shall mean any obligation to pay a judgment, settlement, penalty, fine, or reasonable expense incurred with respect to a proceeding.
- E. The term *official capacity* shall mean the office of Director in the Corporation, and, when used with respect to a person other than a Director, shall mean the office in the Corporation held by the Officer or the employment, fiduciary, or agency relationship undertaken by the employee or agent on behalf of the Corporation, but in neither case shall include service for any foreign or domestic corporation or for any other person or other enterprise.

Sec. 2 - General Provisions.

The Corporation may indemnify any person who is or was a party or is threatened to be made a party to any proceeding by reason of the fact that such person is or was a Director or Officer of the Corporation, against expenses (including attorney's fees), liability, judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such proceeding if such person (a) acted in good faith, (b)

reasonably believed, in the case of conduct in an official capacity with the Corporation, that the conduct was in the best interests of the Corporation, and, in all other cases, that the conduct was at least not opposed to the best interests of the Corporation, and (c) with respect to any criminal proceeding, had no reasonable cause to believe that the conduct was unlawful. However, no person shall be entitled to indemnification under this Section 2 either (a) in connection with a proceeding brought by or in the right of the Corporation in which the Director or Officer was adjudged liable to the Corporation, or (b) in connection with any other proceeding charging improper personal benefit to the Director or Officer, whether or not involving action in that person's official capacity, in which the Director or Officer is ultimately adjudged liable on the basis that the Director or Officer improperly received personal benefit. Indemnification under this Section 2 in connection with a proceeding brought by or in the right of the Corporation shall be limited to reasonable expenses incurred in connection with the proceeding. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not of itself be determinative that the person did not meet the standard of conduct set forth in this Section 2.

Sec. 3 - Successful Defense on the Merits; Expenses.

To the extent that a Director or Officer of the Corporation has been wholly successful on the merits in defense of any proceeding to which he or she was a party, such person shall be indemnified against reasonable expenses (including attorney's fees) actually and reasonably incurred in connection with such proceeding.

Sec. 4 - Determination of Right to Indemnification.

Any indemnification under Section 2 (unless ordered by a court) shall be made by the Corporation only as authorized in each specific case upon a determination that indemnification of the Director or Officer is permissible under the circumstances because such person met the applicable standard of conduct set forth in Section 2. Such determination shall be made by the Board of Directors (a) by a majority vote of a quorum of disinterested Directors who at the time of the vote are not, were not, and are not threatened to be made parties to the proceeding, or (b) if such a quorum cannot be obtained, by the vote of a majority of the members of the Executive Committee of the Board of Directors, provided that committee shall consist of two or more Directors who are not parties to the proceeding (Directors who are parties to the proceeding may participate in the designation of Directors to serve on such committee), or (c) if such a quorum of the Board of Directors cannot be obtained or there is no Executive Committee, or even if such a quorum is obtained or the Executive Committee exists, but such quorum or committee so directs, then by independent legal counsel selected by the Board of Directors in accordance with the preceding procedures. Authorization of indemnification and evaluation regarding the reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that, if the determination that indemnification is permissible is made by independent legal counsel, authorization of indemnification and evaluation of legal expenses shall be made by the body that selected such counsel.

Sec. 5 - Other Employees and Agents.

The Corporation shall indemnify such other employees and agents of the Corporation to the same extent and in the same manner as is provided above in Section 2 with respect to Directors or Officers, by adopting a resolution by a majority of the members of the Board of Directors, specifically identifying by name or by position the employees or agents entitled to indemnification.

ARTICLE XII - FACULTY AND STAFF

- Sec. 1 - The faculty and staff shall be appointed by the Superintendent after careful consideration of their spiritual and academic qualifications. Such employees shall be chosen to meet the missional objectives and execute the academic programs and policies of the school.
- Sec. 2 - Individuals serving on the faculty and staff shall be born-again believers and subscribe without reservation to the Corporation's Statement of Faith and Philosophy of Education. Such individuals shall be Christian role models in the school and community. Each member of the faculty and staff shall be commissioned Ministers of the Gospel as directed by the Board of Directors.
- Sec. 3 - Faculty and staff responsibilities are to be defined in job descriptions approved by the Superintendent.
- Sec. 4 - The faculty and staff shall be appointed each year by written contract after careful consideration of evaluations and spiritual and academic qualifications.
- Sec. 5 - The Superintendent shall insure that all faculty and staff are evaluated annually on the basis of their job descriptions and other factors.
- Sec. 6 - Each member of the faculty and staff shall receive a handbook of pertinent policies and procedures for the school and shall certify annually in writing that he or she has received and reviewed the handbook.
- Sec. 7 - Each member of the Faculty and Staff shall complete a Faith and Belief Questionnaire (as determined by the Board of Directors) prior to employment.
- Sec. 8 Each member of the Faculty and Staff shall receive training in theology and mission on an annual basis.

ARTICLE XIII - DISPUTE RESOLUTION

- Sec. 1 - The Board of Directors shall ensure that each contract for employment shall contain language for dispute resolution as follows:

The parties to this agreement are Christians and believe that the Bible commands them to make every effort to live at peace and to resolve disputes with one another in private or within the Christian community in conformity with the biblical injunctions of 1 Corinthians 6:1–8, Matthew 5:23–24, and Matthew 18:15–20. Therefore, the parties agree that any claim or dispute arising out of, or related to, this agreement or any aspect of the employment relationship, including claims under federal, state, and local statutory

or common law, the law of contract, and law of tort, shall be settled by biblically based mediation.

If resolution of the dispute and reconciliation do not result from mediation, the matter shall then be submitted to an independent and objective arbitrator for binding arbitration. The parties agree that the mediation and arbitration process will be conducted in accordance with the "Rules of Procedure for Christian Conciliation" ("Rules") contained in the Peacemaker Ministries booklet *Guidelines for Christian Conciliation*. Consistent with these "Rules," each party to the agreement shall agree to the selection of the arbitrator. The parties agree that if there is an impasse in the selection of the arbitrator, the Institute for Christian Conciliation division of Peacemaker Ministries in Billings, Montana, (406-256-1583), shall be asked to provide the name of a qualified person who will serve in that capacity. Consistent with the "Rules," the arbitrator shall issue a written opinion within a reasonable time.

The parties to this contract agree that these methods shall be the *sole remedy* for any controversy or claim arising out of the employment relationship or this agreement, and they *expressly waive* their right to file a lawsuit against one another in any civil court for such disputes, except to enforce a legally binding arbitration decision. The parties to this agreement have had an opportunity to consult legal counsel before signing this agreement. The parties agree that the Corporation shall be responsible for the costs of the arbitrator.

Sec. 2 - The Board of Directors shall ensure that all employment handbooks contain the above dispute resolution language, that all employees are advised of the above dispute resolution process, and that this process shall apply to all employment, including non-contract or at-will employment.

ARTICLE XIV - STUDENTS

Sec. 1 - Nondiscrimination Statement.

Admission and advertising materials and student handbooks shall contain language reflecting the following policy:

Cole Valley admits students of any race, color, or national or ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the school. It does not discriminate on the basis of race, color, or national or ethnic origin in the administration of its educational policies, admissions policies, scholarship and loan programs, athletic programs, or other school-administrated programs.

Sec. 2 - Parent/Teacher Fellowship.

The school may establish a fellowship for the close association and cooperation of the parents of the students and the teachers involved in the school.

ARTICLE XV - MISCELLANEOUS

Sec. 1 - Account Books, Minutes, Etc.

The Board of Directors shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and committees. All books and records of the Corporation may be inspected by any board member for any proper purpose at any reasonable time.

Sec. 2 - Designated Contributions.

The Corporation may accept any designated contribution, grant, bequest, or devise consistent with its general tax-exempt purposes, as set forth in the Articles of Incorporation. As so limited, donor-designated contributions will be accepted for special funds, purposes, or uses; and such designations generally will be honored. However, the Corporation shall reserve all right, title, and interest in and to, and control of, such contributions, as well as full discretion regarding the ultimate expenditure or distribution thereof in connection with any special fund, purpose, or use. Further, the Corporation shall retain sufficient control over all donated funds (including designated contributions) to ensure that such funds will be used to carry out the Corporation's tax-exempt purposes.

Sec. 3 - Conflicts of Interest.

If any person who is a board member or an officer of the Corporation is aware that the Corporation may or is about to enter into any business transaction directly or indirectly with himself or herself, any member of such person's family, or any entity in which he or she has any legal, equitable, or fiduciary interest or position, including, without limitation, as director, officer, shareholder, partner, beneficiary, or trustee, such person shall (a) immediately inform those charged with approving the transaction on behalf of the Corporation of such person's interest or position, (b) aid the persons charged with making the decision by disclosing any material facts within such person's knowledge that bear on the advisability of such transaction from the standpoint of the Corporation, and (c) not be entitled to vote on the decision to enter into such transaction. Voting on such transaction shall be conducted as follows:

- A. Discussion of the matter, with the interested Director or Officer, shall be held by the Board of Directors with such person present to provide information and answer any questions.
- B. The interested Director or Officer shall withdraw from the meeting.
- C. Discussion of the matter outside of the presence of the interested Director or Officer shall be held by the Board of Directors.
- D. The remaining members of the Board of Directors shall vote. Such voting shall be by written ballot. Such ballots shall not reflect the name or identity of the person voting.
- E. A majority vote of the Board of Directors shall be required for approval of the transaction.

Sec. 4 - No Private Inurement.

The Corporation is not organized for profit and is to be operated exclusively for the promotion of social welfare in accordance with the purposes stated in the Articles of Incorporation. The net earnings of the Corporation shall be devoted exclusively to charitable, religious/educational purposes and shall not inure to the benefit of any private individual. No Director or person from whom the Corporation may receive any property or funds shall receive or shall be entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the Corporation be paid as salary or compensation to, or distributed to, or inure to the benefit of any Director; provided, however, that (a) reasonable compensation may be paid to any Director while acting as an agent, a contractor, or an employee of the Corporation for services rendered in effecting one or more of the purposes of the Corporation, (b) any Director may, from time to time, be reimbursed for such Director's actual and reasonable expenses incurred in connection with the administration of the affairs of the Corporation, and (c) the Corporation may, by resolution of the Board of Directors, make distributions to persons from whom the Corporation has received contributions previously made to support its activities to the extent such distributions represent no more than a return of all or a part of the contributor's contributions.

Sec. 5 - References to Internal Revenue Code.

All references in these Bylaws to provisions of the Code are to the provisions of the Internal Revenue Code and shall include the corresponding provisions of any subsequent federal tax laws.

Sec. 6 - Severability.

The invalidity of any provision of these Bylaws shall not affect the other provisions hereof, and in such event these Bylaws shall be construed in all respects as if such invalid provision were omitted.

ARTICLE XVI - AMENDMENTS OF THE BYLAWS

Sec. 1 - The Board of Directors shall have power to alter, amend, or repeal the Bylaws, or any part or provision thereof, or adopt new Bylaws by a unanimous vote of the Directors.

Board Member's Leadership Commitment

Knowing that God has spoken clearly in His Word concerning the character and responsibility of a leader,

1. I will seek to maintain a close, intimate walk with the Lord by regularly spending time alone with Him, in His Word and in prayer.
2. I will be a diligent student of God's Word.
3. I will endeavor to walk continuously in step with the Holy Spirit.
4. I will pray for those who serve with me as board members, for the School Superintendent, for the faculty and staff of the school, for the students of the school, and for this ministry's testimony in the community.
5. I will be diligent in preparation for all Board meetings and participate in duly appointed committees.
6. I will faithfully attend all meetings of the Board unless I am hindered from doing so by compelling reasons such as illness or necessary travel. When I am unable to attend, I will notify the Board President in advance, if possible. I will follow up with the Board Secretary and/or other board members to be informed about the proceedings of the meeting that I missed.
7. My fellowship, speech, and manner with my colleagues on the Board and with any members of the school family will be characterized by love, grace, and humility. With the help of the Holy Spirit, I will refrain from expressing demeaning attitudes through criticism and complaint.
8. While respecting divergent views and convictions expressed by my colleagues on the Board, I will express my views and differences of opinion constructively and with grace. Once the Board has discussed and voted on an issue and regardless of my personal vote on that issue, I will publicly support the Board's action.
9. I will be an encourager, acting with integrity and discretion, and will endeavor to maintain the unity of the Spirit in the bond of peace.
10. I have read and studied the Bylaws of Cole Valley Christian Schools and I agree with the Bylaws and agree to abide thereby.

I have studied these statements of commitment and have prayed over them, and I believe God would have me serve as a board member according to these standards.

Signature _____ Date _____

108 Conflicts of Interest

Effective Date: 08/01/2006
Revision Date: 08/21/2013

Staff members have an obligation to conduct school business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which CVCS wishes the school to operate. The purpose of these guidelines is to provide general direction so that staff members can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the Human Resources Department or the Superintendent for more information or questions about conflicts of interest.

Transactions with outside firms must be conducted within a framework established and controlled by the Leadership Team of CVCS. Business dealings with outside firms should not result in unusual gains for those firms. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit either the employer, the employee, or both. Promotional plans that could be interpreted to involve unusual gain require specific Leadership Team approval.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of CVCS's business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to the Superintendent of CVCS as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which CVCS does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving CVCS.

POLICY TYPE: GOVERNANCE PROCESS**POLICY TITLE: BOARD MEMBERS' CODE OF CONDUCT**

POLICY 4.6 The board commits itself and its members to biblical, ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as board members.

Accordingly:

- 4.6.1 Members must demonstrate loyalty to the interests of the ownership. This accountability supersedes any conflicting loyalty, such as that to advocacy or interest groups and membership on other boards or staffs. It also supersedes the personal interest of any board member acting as a consumer of the organization's services.
- 4.6.2 Members must avoid conflict of interest with respect to their fiduciary responsibility.
 - 4.6.2.1 There must be no self-dealing or any conduct of private business or personal services between any board member and the organization except as procedurally controlled to assure openness, competitive opportunity, and equal access to inside information.
 - 4.6.2.2 When the board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only the vote but also from the deliberation.
 - 4.6.2.3 Board members must not use their positions to obtain employment for themselves, family members or close associates.
- 4.6.3 Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in board policies.
 - 4.6.3.1 Board members' interaction with the superintendent or with staff must recognize the lack of authority vested in individuals except when explicitly board authorized.
 - 4.6.3.2 Board members' interaction with public, press or other entities must recognize the same limitation and the inability of any board member to speak for the board except to repeat explicitly stated board decisions.
 - 4.6.3.3 Board members will give no consequence or voice to individual judgments of superintendent or staff performance.
 - 4.6.3.4 Board members will not respond individually to grievances from employees, parents, or guardians.
- 4.6.4 Board members will respect the confidentiality appropriate to issues of a sensitive nature.
- 4.6.5 The board will not act on grievance information provided anonymously.

STATEMENT OF FAITH

- There is one God, who is infinitely perfect, existing eternally in three persons: Father, Son and Holy Spirit. (Acts 5:3-4; I Corinthians 12:4-6; II Corinthians 13:14; Ephesians 1:1-14)
- Jesus Christ is true God and true man. He was conceived by the Holy Spirit and born of the Virgin Mary. He died upon the cross, the Just for the unjust, as a substitutionary sacrifice, and all who believe in Him are justified on the grounds of His shed blood. He rose from the dead according to the Scriptures. He is now at the right hand of the Majesty on high as our great High Priest. (Matthew 1:22-23; Luke 1:35; John 1:1-18; Romans 3:21-26; Hebrews 1:1-3, 2:7; I Peter 3:18)
- The Holy Spirit is a divine person, sent to indwell, guide, teach, empower the believer, and convince the world of sin, of righteousness and of judgment. (John 14:16-26; 16:5-11)
- The Old and New Testaments, inerrant as originally given, were verbally inspired by God and are the complete revelation of His will for the salvation of men. They constitute the divine and only rule of Christian faith and practice. (Matthew 5:17-20; John 10:35; II Timothy 3:16)

When we say that the Old and New Testaments constitute the only rule of Christian faith and practice, we specifically mean that we do not accept any other testaments, documents, or revelations claiming similar divine inspiration. We consider any other such claims to be false and heretical.

- Man was originally created in the image and likeness of God; he fell through disobedience, incurring both physical and spiritual death. All men are born with a sinful nature, are separated from the life of God, and can be saved only through the atoning work of the Lord Jesus Christ. (Genesis 1:26-27; John 14:6; Acts 4:12; Romans 1:18-3:20)
- Salvation has been provided through Jesus Christ for all men; and those who repent and believe in Him, receiving Him as personal Savior and Lord, are born again of the Holy Spirit, receive the gift of eternal life, and become the children of God. (Acts 2:38; Romans 3:21-26)

We believe that this salvation process comes by grace, through faith alone. Works of any kind are a result of salvation, not in any way a means to it. (Ephesians 2:8-9)

- The church consists of all those who believe in the Lord Jesus Christ, are redeemed through His blood, and are born again of the Holy Spirit. Christ is the Head of the Body, the Church, which has been commissioned by Him to go into all the world as a witness, preaching the gospel to all nations. (Matthew 28:18-20; Romans 1:4; I Corinthians 12:13; Ephesians 1:22-23)

Part of our witness is found in how we respond in society. Civil governments are of divine appointment for the interests and good order of human society. Those in civil authority are to be prayed for and conscientiously honored and obeyed except in things contrary to the Word of God. (Romans 13:1-7; II Samuel 23:3-4; Exodus 18:21-22; Acts 4:19-20, 5:20-29, 23:5; Matthew 22:21; Daniel 3:17-18)

- The local church is a body of believers in Christ who are joined together for the worship of God, for edification through the Word of God, for prayer, fellowship, the proclamation of the gospel, and observance of the ordinances of baptism and the Lord's Supper. (Acts 2:42-47; Acts 10:47-48; Luke 22:17-20; I Corinthians 11:23-32)
- There shall be a bodily resurrection of the just and the unjust; for the former a resurrection unto life, for the latter, a resurrection unto judgment. (Matthew 25:31-46; Hebrews 9:27)
- The second coming of the Lord Jesus Christ is imminent and will be personal and visible. This is the believer's blessed hope and is vital truth which is an incentive to holy living and faithful service. (Acts 1:9-11; Titus 2:13; I Peter 1:13; II Peter 3:11)
- God wonderfully creates each person as male or female. These two distinct, complementary genders together reflect the image and nature of God. Marriage was designed by God to be the life-long union of one genetic man and one genetic woman, and only within the context of such a marriage does sexual intimacy have God's blessing. (Gen. 1:26-27; Gen. 2:20-24; Mark 10:2-9; Hebrews 13:4)

This principle, as applicable, shall govern all matters of Cole Valley Christian Schools.

The Statement of Faith does not exhaust the extent of our beliefs. The Bible itself, as the inspired and infallible Word of God that speaks with final authority concerning truth, morality, and proper conduct, is the sole and final source of what we believe. With regard to faith, doctrine, practice, policy, and discipline, the Council of Elders of Cole

Community Church is the final interpretive authority on the Bible's meaning and application for Cole Valley Christian Schools. (Hebrews 13:17)



Mission and Core Values

PURPOSE: The only reason we exist is to serve Jesus Christ by developing the whole person through a Christ-centered education.

MISSION: Partnering with Christian families to shepherd and challenge students toward their individual potential to impact the world for Christ.

CORE VALUES:

1.3 As a school that exists to serve God, our core values reflect His character (Ex. 34:6). They provide the context in which day-to-day decisions are made.

1.3.1 | GRACE We believe that our very existence depends on the unmerited favor bestowed on us by God through the death of Christ on the cross (Col. 2:13-14; Titus 3:4-7). Therefore we:

1.3.1.1 Develop an environment where people are loved, not because of what they do, but because we choose to love them (Dt. 7:7-8; Rom. 12:9; 2 Tim. 1:9).

1.3.1.2 We value students because they are God's unique and dearly loved creations, we appreciate their unique abilities and learning differences given by God according to His grace, and we strive to understand how this unique gifting affects their outward behaviors (Psalm 139:13-16; Romans 12:3-8).

1.3.1.3 Cultivate an environment where forgiveness is practiced and encouraged (Eph. 4:30-5:2).

1.3.1.4 Endeavor to keep rules to a minimum (Gal. 2:16; Col. 2:20-23).

1.3.1.5 Strive to encourage success rather than focusing on preventing failure (Phil. 3:12-14).

1.3.1.6 Encourage students to develop the resilience of a maturing faith that enables them to persevere through difficulties (Rom. 5:1-5; James 1:2-4).

1.3.2 | TRUTH We believe that the Bible is God's Word (John 10:35; 2 Cor. 4:2; 2 Tim. 3:16), that God's Word is truth (Ps. 119:160; John 17:17), and that knowledge of it is key to unleashing its transformational power (John 8:31-32). Therefore we:

1.3.2.1 Teach that Jesus is the Way, the Truth, and the Life (John 14:6).

1.3.2.2 Endeavor to teach truth in all academic subjects (Ps. 19:1; Ps. 25; Eph. 4:25; Col. 1:16-17).

1.3.2.3 Evaluate all truth claims against Scripture (Ps. 119:105; Acts 17:11).

1.3.2.4 Encourage our students to embrace truth and live according to it (John 8:31-32; 3 John 1:4).

1.3.2.5 Strive for growth, learning, and improvement according to God's Word as individuals and as an organization (1 Cor. 9:24-27; Phil. 3:12-14; Col. 3:23; 1 Thes. 4:1).

1.3.3 | LOVE We believe that we are each called to love God with all our heart, soul, strength, and mind, and to love our neighbor as ourselves (Luke 10:27). Therefore we:

1.3.3.1 Cultivate an outward focus by encouraging students to serve others (Heb. 13:16).

1.3.3.2 Provide encouragement and assistance to other Christian schools (2 Cor. 8:3-5; Phil. 2:3-4).

1.3.3.3 Endeavor to speak the truth in love (Eph. 4:15).

1.3.3.4 Diligently preserve unity (Eph. 4:3; Phil. 2:2) while valuing each other's unique giftedness (Rom. 12:3-8; 1 Cor. 12:12-27).

1.3.3.5 Monitor the effect of our behavior on others so that we do not hinder someone's relationship with the Lord (Rom. 14; 2 Tim. 2:23-26).

ASSET PURCHASE AND TRANSFER AGREEMENT AND BILL OF SALE

This asset purchase and transfer agreement and bill of sale is entered into on _____, 2021 between Cole Valley Christian Schools, Inc., an Idaho corporation, (the “**Buyer**”), and Cole Community Church, Inc., an Idaho Corporation, (the “**Seller**”).

The Seller owns and operates a Christian school including grades K-12, known as Cole Valley Christian Schools, located as to secondary grades at 200 East Carlton Avenue, Meridian Idaho 83642 and as to elementary grades at 8775 W. Ustick Rd, Boise, Idaho 83704, (the “**School**”).

The Seller has agreed to transfer and sell and the Buyer has agreed to receive and purchase the Purchased Assets (as defined below) constituting and relating to the operation of the School by Seller in a manner that will allow and ensure that such School continues to operate without any interruption or interference in any manner that might be harmful to the School or its Students or employees, and in a manner that will ensure and safeguard the Christian mission of the School.

Therefore, the parties agree as follows:

1. Transfer and Sale of the Purchased Assets; Assumed Contracts and Agreements. Subject to the provisions set forth in this agreement, as of midnight at the beginning of the date of this agreement as set forth above (the “**Effective Time**”), the Seller hereby sells, conveys, assigns, and transfers to the Buyer the assets set forth on Schedule 1 (the “**Purchased Assets**”) free and clear of any and all liens and encumbrances, and the Buyer hereby accepts the sale, conveyance, assignment, and transfer of the Purchased Assets and assumes the Buyer’s obligations under the contracts and agreements listed on Schedule 1 (the “**Assumed Contracts and Agreements**”).

2. No Other Assumption of Liabilities. Except for the Assumed Contracts and Agreements, the Buyer does not assume any obligation or liability of the Seller. The Buyer shall not be responsible for any liability of the Seller that arises from the operation of the Church or not otherwise arising from the operation of the School. The Seller will not be responsible for any liability that arises from the Buyer’s operation of the School after the Effective Time.

3. Purchase Price. The purchase price is \$100, plus execution by the Buyer of the Memorandum of Understanding attached hereto as Exhibit 1 (the “**Purchase Price**”) which amount together with the Memorandum of Understanding is acknowledged by both Buyer and Seller to constitute sufficient consideration to cause and induce each of the Seller and Buyer to enter into this agreement.

4. Lease of Facilities for Elementary School. The Seller agrees to lease, and the Buyer agrees to enter into a lease as tenant, for the facilities located on the campus of Cole Community Church at 8775 W Ustick Rd, Boise, ID 83704 as currently used for the operation of the elementary school grades of the School, including Modular Relocatable Units labeled as Numbers 1 and 2, certain use of the church building, and the right to continue to affix Modular Relocatable classroom units 3,4,5,6,7,8,9, and 10 to the church property and to use same for operation of the elementary school. The purpose of the lease shall be to allow the Buyer to

operate the elementary grades of the School at that location. The term of the lease shall be 5 years or until the Buyer completes construction of a new facility that will accommodate the elementary grades. The rental price for such facilities shall be \$100 per year, which both Buyer and Seller to constitute sufficient consideration to cause and induce each of the Seller and Buyer to enter into this agreement. Facilities costs associated with the use of the Church building and modular relocatable classroom units, such as utilities, will be equitably apportioned. The parties may enter into a separate Lease document as appropriate in order to implement this provision.

5. Representations and Warranties. The Seller, jointly and severally, represent and warrant to the Buyer that all of the representations and warranties set forth on Schedule 2 are true and correct in all respects as of the date of this agreement.

6. Proration of Expenses. Any costs associated with operating the School in the ordinary course, including but not limited to payroll expenses and utility or similar charges, payable with respect to the period in which the Effective Time falls will be prorated based on the actual number of days applicable to the pre-Effective Time and post-Effective Time occupancy and use. The Seller will be liable for the prorated amount of all such expenses during the period through the Effective Time, and shall pay and satisfy such expenses before the execution of this agreement and before the transfer of any cash to Buyer. The Buyer will be liable for the prorated amount of all such expenses during the period after the Effective Time.

7. Survival. Except as otherwise provided in this agreement, the representations and promises of the parties contained in this agreement will survive (and not be affected in any respect by) the Effective Time for the applicable statute of limitations as well as any investigation conducted by any party and any information which any party may receive.

8. Further Actions. At any time and from time to time after the date of this agreement: (1) the Seller shall execute and deliver or cause to be executed and delivered to the Buyer such other instruments, including deeds to real property included as an Included Asset, Lease documents, and take such other action, all as the Buyer may reasonably request, in order to carry out the intent and purpose of this agreement; and (2) the Buyer shall execute and deliver or cause to be executed and delivered to the Seller such other instruments and take such other action, all as the Seller may reasonably request, in order to carry out the intent and purpose of this agreement.

9. Governing Law; Venue. This agreement and the transactions contemplated hereby will be construed in accordance with and governed by the laws of the State of Idaho. Any suit, action, or other proceeding brought against any of the parties to this agreement or any dispute arising out of this agreement or the transactions contemplated hereby must be brought either in the courts sitting in Ada County, Idaho, or in the United States District Court for the District of Idaho and by its execution and delivery of this agreement, each party accepts the jurisdiction of such courts and waives any objections based on personal jurisdiction or venue.

10. Assignment. No party may assign either this agreement or any of its rights, interests, or obligations hereunder without the prior written approval of each other party.

11. Notices. All notices and other communications under this agreement must be in writing and given by first class mail, return receipt requested, nationally recognized overnight

delivery service, such as Federal Express, or personal delivery against receipt to the party to whom it is given, in each case, at the party's address set forth in this section 11 or such other address as the party may hereafter specify by notice to the other parties given in accordance with this section. Notice may also be given by electronic communication including e-mail provided that the party giving notice receives an acknowledgment of receipt of the notice from the other party by identical electronic means. Any such notice or other communication will be deemed to have been given as of the date the applicable delivery receipt for such communication is executed as received or in the case of mail, three days after it is mailed.

If to the Seller:

Cole Community Church
8775 West Ustick Road
Boise, Idaho 83704

Attention: _____

If to the Buyer:

Cole Valley Christian Schools
200 East Carlton Avenue
Meridian, Idaho 83642

Attention: _____

12. Miscellaneous. This agreement contains the entire agreement between the parties with respect to the subject matter hereof and all prior negotiations, writings, and understandings relating to the subject matter of this agreement are merged in and are superseded and canceled by, this agreement. This agreement may not be modified or amended except by a writing signed by the parties. This agreement is not intended to confer upon any person or entity not a party (or their successors and permitted assigns) any rights or remedies hereunder. This agreement may be signed in any number of counterparts, each of which will be an original with the same effect as if the signatures were upon the same instrument, and it may be signed electronically. The captions in this agreement are included for convenience of reference only and will be ignored in the construction or interpretation hereof. If any date provided for in this agreement falls on a day which is not a business day, the date provided for will be deemed to refer to the next business day. Any provision in this agreement that is held to be invalid, illegal, or unenforceable in any respect by a court of competent jurisdiction will be ineffective only to the extent of such invalidity, illegality, or unenforceability without affecting in any way the remaining provisions hereof; provided, however, that the parties will attempt in good faith to reform this agreement in a manner consistent with the intent of any such ineffective provision for the purpose of carrying

out such intent. The Exhibits and Schedules to this agreement are a material part of this agreement and are incorporated by reference herein.

13. The Seller shall hold the Confidential Information, including student information, in confidence and shall not use the Confidential Information for any purpose other than in furtherance of the Buyer's operation of the School without the Buyer's express written consent. Seller shall continue to abide by and conform to requirements of federal law concerning student information. The Seller recognizes that Confidential Information involves one of the Buyer's valuable and unique assets. "**Confidential Information**" means information directly or indirectly involving the School that is not available or open to the public generally, including student Information.*[Signature page]*

Each of the undersigned has caused this bill of sale and assignment and assumption agreement to be duly executed and delivered as of the date first written above.

BUYER:

Cole Valley Christian Schools, Inc.

By:

Name:

Title:

SELLER:

Cole Community Church, Inc.

By:

Name:

Title:

Schedule 1

Purchased Assets

“Purchased Assets” means all of the assets of the Seller used or useful in the operation of the School, including the following assets, but specifically excluding the Excluded Assets:

a) all books, records, mailing lists, customer lists, advertising and promotional materials, equipment maintenance records, library materials, and all other documents used by the Seller in the School (whether in hard copy or electronic form);

b) all computers and related software, websites, office equipment, and office supplies used by the Seller in the School;

c) fixtures and furniture used by the Seller in the School;

d) phone system and any other technological equipment used by the School;

e) the trade name “Cole Valley Christian Schools” and associated goodwill and all copyrights, patents, trademarks, trade secrets, and other intellectual property and associated goodwill;

f) the telephone number 208 947 1212;

g) the internet domain name www.colevalleychristian.org and all variants owned by the Seller and/or used in the School;

h) all social media accounts, including, without limitation Facebook, Google Plus, LinkedIn, Twitter and YouTube accounts, used in the School and all memberships: and

i) all educational materials of any sort

j) all cash of the School as accounted on Seller’s financial records as attributable to Buyer, stated on the Effective Time as \$_____.

k) all sporting equipment of any sort used by the School.

l) all accounts receivable of the Seller relating to the School outstanding at the Effective Time.

m) real property located in Meridian, Idaho, at and near 200 E. Carlton Avenue, including tax parcels R7745460010, R7745460020, R7745460030, R7745460040, and S1107244450, as used for the operation of the School, as to which Seller shall execute an appropriate Warranty Deed, more specifically, the following:

A parcel of land located in the Southeast quarter of the Northwest quarter in Section 7, Township 3 North, Range 1 East, Boise Meridian, Ada County, and more particularly described as follows:

Commencing at the center of Section 7, Township 3 North, Range 1 East, Boise Meridian, and running thence North along the center line of said section 7632 feet; thence West 720 feet to the Real Place of Beginning, thence running North 331 feet, thence running West to the West Line of the East Half of the Northwest quarter of Section 7, thence running South 331 feet; thence running East to the Place of Beginning Except That portion deeded to the City of Meridian described in Deed recorded January 12, 1929 and filed in Book 186 of Pages 274 and 275 as instrument 133467, records of Ada County Idaho.

Parcel 1

The West half of 13, all of lot 14 and the East of 15 in Block 5 of F.A. Nourse's Second Addition to Meridian according to the plat thereof, filed in Book 2 of Plats at Page 64, Records of Ada County, Idaho

Parcel 2

The west Half of 15 and all of lots 16, 17, 18, 19 and 20 in Block 5 of F.A. Nourse's Second Addition to Meridian, according to the plat thereof, filed in Book 2 of Plats at Page 64, Records of Ada County, Idaho

Lot 2 in Block 1 of School Plaza Subdivision No. 1 according to the plat thereof, filed in Book 64 of Plats at Page 6501 and 6502, Records of Ada County, Idaho

Parcel 1 Lot 1 in Block 1 of School Plaza Subdivision No. 1, according to the Official Plat thereof, filed in Book 64 of Plats at Page 6501 and 6502, Records of Ada County Idaho

Parcel 1 Lot 2 3 and 4 in Block 1 of School Plaza Subdivision No. 1, according to the Official Plat thereof, filed in Book 64 of Plats at Page 6501 and 6502, Records of Ada County Idaho

(n) Certain Modular Relocatable Classroom buildings located at 8775 W. Ustick Rd, Boise, Idaho 83704, used for elementary grades of the School, including modular units labeled as units 3,4,5,6,7,8,9 and 10

“Excluded Assets” means the following:

- a) all real property and structures, temporary or permanent, affixed thereto, at the campus of the Cole Community Church located at 8775 W Ustick Rd, Boise, ID 83704 as currently used for the operation of the elementary school grades and the church. Personnel property assets at that location used for the operation of the school is NOT excluded but personal property used for Church operations is excluded

(b) Certain Modular Relocatable Classroom buildings located at 8775 W. Ustick Rd, Boise, Idaho 83704, used for elementary grades of the School, including modular units labeled as units 1 and 2.

“Assumed Contracts and Agreements” means the following contracts:

- All employment contracts and agreements for all administrators, faculty and staff
- Fischer’s Technology – usage and service agreement on leased copiers. Contract # MA8665-01
- TIAA Bank – copier lease, 4 units. Contract #41510214
- Access Heating and Service – HVAC service agreement; 1 year
- Mitel Phones –agreement for phone service access
- Microsoft licensing agreement – use of Microsoft software suite for 3 years
- Any other contracts supporting the operation of the school

Schedule 2

Representations and Warranties

1. **Capitalization.** The only equity owner of the Seller is the Owner and no person has any existing right to purchase any equity of the Seller.

2. **Consents.** The Seller is not required to obtain the consent of any party to a contract or any governmental entity in connection with the execution, delivery, or performance by it of this agreement or the consummation of the transactions contemplated in this agreement.

3. **Compliance with Laws.** With respect to the operation of the School by the Seller before the Effective Time, the Seller and its employees and officers are and at all times have been in compliance in all material respects with each law applicable to the Seller or to the operation of the School.

4. **Taxes.** The Seller has, in respect of the School, filed all tax returns that are required to be filed and has paid all taxes that have become due under the tax returns or under any assessment that has become payable or for which the Buyer may otherwise have any transferee liability. All monies required to be withheld by the Seller from employees for income taxes and social security and other payroll taxes have been collected or withheld and either paid to the respective governmental bodies or set aside in accounts for such purpose.

5. **Litigation.** There are no claims or suits pending or, to the Seller's knowledge, threatened by or against the Seller (1) relating to or affecting the School or Purchased Assets or (2) by or against any employee of the Seller relating to or affecting the School or Purchased Assets. There are no judgments, decrees, orders, writs, injunctions, rulings, decisions, or awards of any court or governmental body to which the Seller is a party or is subject with respect to any of the Purchased Assets is subject.

6. **Financial Information; Ordinary Course.** The financial information the Seller provided to the Buyer is accurate, correct, and complete, is in accordance with the books and records of the Seller, and presents fairly the results of operation and financial condition of the Seller's School. The Seller has operated the School in the ordinary course before the Effective Time.

7. **Title; Condition of Purchased Assets.** The Seller has good and marketable title to all of the Purchased Assets free and clear of all liens and encumbrances. Pursuant to this agreement, the Seller conveys to the Buyer good and marketable title to all of the Purchased Assets, free and clear of all liens and encumbrances. The Inventory is salable in the ordinary course of School and consists of items that are current, standard, and first-quality. All equipment and signs are in working order and the premises will pass all inspections necessary to conduct the School.