Submission information

Form: Combined Application - Achievement District & Public School Credit Enhancement Program (https://education.azgovernor.gov/edu/form/combined-application-achievement-district-public-school-credit-enhancement-program)
Submitted by Anonymous (not verified)
May 17, 2018 - 5:05pm
24.248.84.75

Combined Application - Achievement District & Public School Credit Enhancement Program

Submission #: 10

Applicant Information

School Name Vista College Preparatory

School Address 812 S. 6th Ave

School City Phoenix

School Zip Code 85003

Phone Number 602-374-7159

Contact Information

First Name Julia

Last Name Meyerson

Contact Email jmeyerson@vistacollegeprep.org

Contact Phone 602-625-7893

File Link

Drop Box Link https://www.dropbox.com/sh/4scyv43q3e2hrha/AADIIFc8AactRAFc_HNYKITMa?dl=0

Achievement District Qualification

Proving Receipt of Letter Grade of A or equivalent. Yes, the undersigned certifies that the Applicant school has achieved a current grade of A. For charter schools, by checking yes, the undersigned further certifies that the applicant school is in material compliance with all requirements and their charter is not subject to revocation.

Letter Grade of A File Vista College Preparatory-letter-grade-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-letter-grade-sid-10.pdf)

Instructional Strategies and Curricula Please see attached file.

Instructional Strategies and Curricula File Vista College Preparatory-strategy-curricula-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-strategy-curricula-sid-10.pdf)

Enrollment Demand Yes, the undersigned certifies that the school has demonstrated a verifiable enrollment demand.

Enrollment Demand Methodology Please see attached file.

Enrollment Demand File Vista College Preparatory-enrollment-demand-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-enrollment-demand-sid-10.pdf)

Partnership with Underperforming School Please see attached file.

Partnership with Underperforming School File Vista College Preparatory-partnership-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-partnership-sid-10.pdf)

Poverty Indicators Please see attached file.

Poverty Indicators File Vista College Preparatory-poverty-indicators-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-poverty-indicators-sid-10.pdf)

Financial Information

Financial Statements Please see attached file.

Financial Statements File Vista College Preparatory-financial-statement-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-financial-statement-sid-10.pdf)

Current Year Budget Please see attached file; for balance sheet for FY18, please refer to the last two pages of "Financial Statements File."

Current Year Budget File Vista College Preparatory-budget-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-budget-sid-10.pdf)

Debt Ratio Statement Please see attached file.

Debt Ratio Statement File Vista College Preparatory-debt-ratio-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-debt-ratio-sid-10.pdf)

Public Charter School Applicants

Charter Board Directors & Senior Staff Please see attached file.

Charter Board Directions & Senior Staff File Vista College Preparatory-board-staff-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-board-staff-sid-10.pdf)

Charter Litigation VCP has not been nor is currently involved in any litigation.

Charter Litigation File

Charter School Cash Flow Statement Please see "Debt Ratio Statement File" for revenue and cash flow projections for ensuing three-year period.

Charter School Cash Flow Statement File

Charter School Enrollment Please see attached file.

Charter School Enrollment File Vista College Preparatory-enrollment-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-enrollment-sid-10.pdf)

Charter School Liquidity Statement Please see "Debt Ratio Statement File" which details cash on hand for current FY and projections for ensuing 3-year period.

Charter School Liquidity Statement File

Charter School Debt Rating VCP has no publicly issued debt and no credit rating at this time.

Charter School Debt Rating File

Charter School Outstanding Debt VCP is not currently in default on any outstanding debt. Please see attached file for schedules of current outstanding debt.

Charter School Outstanding Debt File Vista College Preparatory-debt-outstanding-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-debt-outstanding-sid-10.pdf)

Charter School Academic Outcomes and Operations Please see attached file.

Charter School Academic Outcomes and Operations File Vista College Preparatory-academic-outcomes-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-academic-outcomes-sid-10.pdf)

Charter School Personal Benefit Disclosure Please see attached file.

Charter School Personal Benefit Disclosure File Vista College Preparatory-personal-disclosure-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-personal-disclosure-sid-10.pdf)

Debt Reserve Yes, the proposed financing will include a fully funded debt service reserve equal to at least the maximum amount permitted by federal law in connection with the issuance of tax exempt obligations securing all series of enhanced bonds, whether tax-exempt or otherwise.

Guaranteed Financing

Financial Timeline Please see attached file.

Financial Timeline File Vista College Preparatory-financial-timeline-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-financial-timeline-sid-10.pdf)

Use of Guaranteed Financing Please see attached file.

Use of Guaranteed Financing File Vista College Preparatory-guaranteed-financing-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-guaranteed-financing-sid-10.pdf)

Collateral Property Identification Please see attached file.

Collateral Property Identification File Vista College Preparatory-collateral-property-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-collateral-property-sid-10.pdf)

Financing Team Borrower's Counsel: Lewis Roca Rothberger; Bond Counsel: Greenberg Traurig; Bond Issuer: Phoenix IDA; Underwrite: RBC Capital

Teacher Turnover Rates Please see attached file.

Teacher Turnover Rates File Vista College Preparatory-teacher-turnover-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-teacher-turnover-sid-10.pdf)

Parent/Teacher Survey Results Please see attached file.

Parent/Teacher Survey Results File Vista College Preparatory-teacher-survey-sid-10.pdf (https://education.azgovernor.gov/system/files/Vista%20College%20Preparatory-teacher-survey-sid-10.pdf)

Attestation Yes, the applicant has read and reviewed the sample Terms and Conditions form.

Discrepencies N/A

Confirm Accuracy and Completeness

By checking yes below, the applicant confirms that the accuracy and completeness of the information in this application has been certified by the Chief Executive Officer or Chief Financial Officer of the School.

Yes, the information in this application is accurate, complete, and has been verified by the Chief Executive Officer or Chief Financial Officer of the School.

Arizona Department of Education

Accountability: A-F Letter Grades

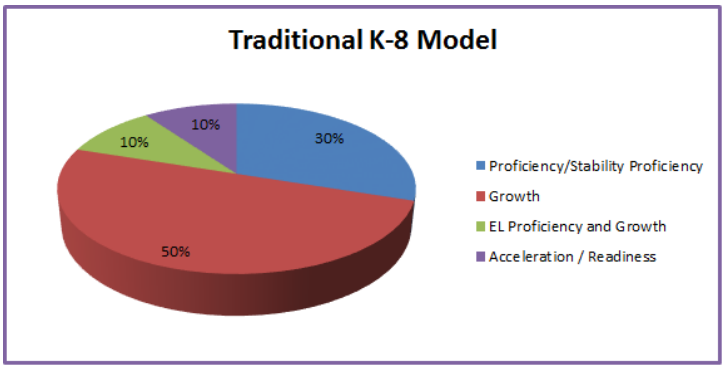
Welcome Julia Meyerson!

Vista College Preparatory, Inc.

Home (/FY2017/) / A-F Summary

School A-F Letter Grade = A
Vista College Preparatory (92177)

Category	Weight	Points
Proficiency/Stability Proficiency*	30%	27.00
Growth	50%	40.87
EL Proficiency and Growth	10%	10.00
Acceleration / Readiness	10%	10.00
SPED Bonus Points		0.00
All Students Total Points		87.87
Total Points Eligible		100.00
Percentage Earned		87.87%
Percent Tested**		97.73%
A-F Letter Grade		**A**



Proficiency		30%*	View Data (/FY2017/Proficiency)
Grade	ELA	Math	Science
3	88.33%	103.3%	
4	87.43%	79.43%	84.86%
5			
6			
7			
8			
9			
10			
11			
Percent Proficient All Students			89.21
Total Proficiency Points			26.76

Stability Proficiency				30%*	View Data (/FY2017/Proficiency)
Stability	ELA	Math	Science	All	Weight
3-Year FAY	88.57%	93.39%	86.00%	90.07%	15.00%
2-Year FAY	99.17%	90.83%	110.0%	96.67%	10.00%
1-Year FAY	68.89%	88.89%	70.00%	76.40%	5.00%
Total Stability Proficiency Points					27.00

Growth	50%	View Data (/FY2017/Growth)

SGP ELA Growth (12.5%)			
	Current Year Low Growth (SGP 0-33)	Current Year Average Growth (SGP 34-66)	Current Year High Growth (SGP 67-99)
Prior Year Highly Proficient	3.13%	3.13%	3.13%
Prior Year Proficient	12.50%	25.00%	18.75%
Prior Year Partially Proficient	0.00%	6.25%	3.13%

SGP Math Growth (12.5%)			
	Current Year Low Growth (SGP 0-33)	Current Year Average Growth (SGP 34-66)	Current Year High Growth (SGP 67-99)
Prior Year Highly Proficient	6.25%	6.25%	6.25%
Prior Year Proficient	12.50%	21.88%	6.25%
Prior Year Partially Proficient	15.63%	6.25%	9.38%

Prior Year Minimally Proficient	6.25%	3.13%	15.63%
SGP ELA Points			**11.29**

Prior Year Minimally Proficient	3.13%	0.00%	6.25%
SGP Math Points			**8.40**

SGT ELA Growth (12.5%)			
	Current Year Below Target	**Current Year At or Near Target**	**Current Year Exceeds Target**
Prior Year Highly Proficient	0.00%	3.13%	6.25%
Prior Year Proficient	9.38%	9.38%	37.50%
Prior Year Partially Proficient	0.00%	3.13%	6.25%
Prior Year Minimally Proficient	6.25%	3.13%	15.63%
SGT ELA Points			**13.48**

SGT Math Growth (12.5%)			
	Current Year Below Target	**Current Year At or Near Target**	**Current Year Exceeds Target**
Prior Year Highly Proficient	0.00%	6.25%	12.50%
Prior Year Proficient	12.50%	21.88%	6.25%
Prior Year Partially Proficient	18.75%	6.25%	6.25%
Prior Year Minimally Proficient	3.13%	6.25%	0.00%
SGT Math Points			**7.70**

Total Growth Points	**40.87**

EL Proficiency and Growth	**10%**	**View Data (/FY2017/EL)**
Total EL Proficiency Points		5.00
Total EL Growth Points		5.00
EL Proficiency and Growth Points		**10.00**

Acceleration / Readiness	**10%**	**View Data (/FY2017/AccelerationReadiness)**
Metric		**Points Earned**
Grades 5-8 HS EOC		
Grade 3 ELA Minimally Proficient		5.00
Chronic Absenteeism		2.00
Subgroup Improvement		6.00
Special Education Inclusion		2.00
Total Acceleration/Readiness Points		**10.00**

A-F Letter Grade	**A**

Total Score				
A	B	C	D	F
%	%	%	%	%

* 1-year FAY and the stability model were calculated to determine proficiency points. The higher of the points was used in the final letter grade, though data is displayed for both calculations

** 95% tested is being provided, however it does not alter or contribute to the letter grade

Note:NA indicates there were fewer than 20 FAY students in the calculation and therefore the school is not eligible for the points.

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Instructional Strategies and Curricula

For the proven instructional strategies and curricula that demonstrate high academic outcomes required by A.R.S. 15-2141(B)(2), please provide a short narrative describing the School's strategies that may include the School's core programs, areas of instruction, pedagogy utilized and educational philosophies.

The curriculum and instructional design of Vista College Prep is rooted in both successful practice and research. Our curriculum is aligned with Arizona State Standards, other rigorous state standards, and supplemented with the knowledge of our faculty to design internal standards to move our students toward high academic achievement and college preparation every year.

Areas of Instruction & Core Programs

Vista College Prep (VCP) was founded with the belief that college preparation begins in kindergarten. Therefore, core programming at Vista College Prep has been designed and implemented to ensure that all students are on the path to college. With this in mind, Vista College Prep students spend more than 40% of the day in small groups, where they receive targeted instruction to address any gaps revealed through extensive data analysis. Students are regrouped every six to eight weeks, following assessment rounds and staff Data Days. This ensures that all students receive rigorous instruction appropriate for and designed specifically to their instructional needs.

Literacy in Grades K-5

In kindergarten through second grade, the goals of literacy instruction are to build fluency in decoding and speaking (through habits of discussion), develop students' reading comprehension strategies, accelerate vocabulary development, and lay the foundation for articulate expression in writing. Students receive literacy instruction during three daily blocks – Read Aloud, Reading Mastery, and Guided Reading/Reading Comprehension. Reading Mastery is a Direct Instruction curriculum proven to produce demonstrable results for low-income students. In grades three through five, students also receive literacy instruction during three daily blocks – Narrative Fiction, Informational Text, and Guided Reading. Read Aloud, Guided Reading, and Reading Comprehension, as well as Narrative Text, Informational Text, and Guided Reading curricula are internally created, based on best practices and resources provided by some of the highest-performing charter networks in the country.

Math in Grades K-5

In kindergarten through fifth grade, students receive over 80 minutes of daily math split between two blocks, Investigations and Cognitively Guided Instruction (CGI). Through Investigations and CGI, students build a strong foundation in basic skills, procedural computation, and conceptual understanding of mathematics. In fact, Investigations is specifically designed to "promote a deep understanding of mathematics and to develop mathematically proficient students who can think, reason, model, and solve problems." In pairing Investigations with CGI, students build a strong foundation of mathematics in kindergarten through fifth grade.

Writing in Grades K-5

In kindergarten through fifth grade, students receive a 45-minute daily writing program. Beginning with a ten-minute lesson on handwriting or grammar (depending on grade level span), students transition into a full Writing Workshop. Students improve writing by focusing on ideas, organization, voice, word choice, sentence fluency, writing conventions and presentation. Teachers model techniques of effective authors, and supply frequent, specific feedback to improve student writing. Students write in various genres, learn the writing process of prewriting, drafting, revising, editing and publishing, and respond to literature. Writing curriculum is internally created, based on resources and best practices from other high-performing schools.

Science/Social Studies in Grades K-5

Kindergarten through fifth grade students receive 40 minutes of Social Studies or Science instruction daily. Social Studies and Science alternates by unit, with both aligning to rigorous State Standards. In kindergarten through fourth grade, Science and Social Studies curriculum is internally created. In fifth grade, Amplify is used for Science and an internally created curriculum is used for Social Studies. These curricula create a better understanding of the world around our students through critical thinking and the exploration of concepts such as the Scientific Method. Additionally, these blocks are used to reinforce literacy concepts and critical thinking.

Enrichment

Vista College Prep students receive 40 to 50 minutes of daily enrichment. Depending on the grade level, this includes, PE, drama, coding, skate boarding, music, chess, or theatre.

Every element of Vista College Prep's model, including the system to create, implement, evaluate, and revise curriculum and instructional methodology is proven and tested. Further, Vista College Prep actively monitors student achievement through the use of internally created formative and summative assessments, as well as the rigorous State assessment, the NWEA MAP assessment, and the STEP Assessment. Using this assessment data, VCP teachers ensure that curriculum and instruction is aligned to student needs and make any adjustments necessary to ensure that all students are on the path to college.

Pedagogy and Educational Philosophies

Vista College Prep believes that teacher quality is the number one indicator of student success. All of the practices listed below are carefully taught to all teachers and based on the instructional best practices of high performing schools across the country. Starting on day one, every teacher is well-versed in the practices and ready to execute. Additional support from the Directors of Curriculum and Instruction and Principals is provided to teachers throughout the school year during weekly (and twice-weekly for new teachers) observations. Each best practice is carefully aligned to the curriculum, daily schedule, and model of teaching.

Strong Emphasis on and Differentiated Instruction in Literacy
Small class size allows for high differentiation throughout all literacy blocks ensuring all students are reached through multiple modalities. With a focus on individualization, research indicates that early reading instruction is most effective within small homogeneous groups.

Standards-based Curriculum and Instruction
Vista College Prep's curriculum is based on and fully aligned with the State Standards. All teachers analyze state content standards that correspond to their specific grade and content areas. They then frame their lessons to ensure that they align with the scope and sequence of study and develop lesson content based on daily standards-driven objectives in the manner best suited to achieving strong student outcomes. The frequent use of standards-driven assessment data assists teachers and administrators in ensuring that content mastery is occurring at the appropriate pace and in accordance with State Standards.

Systematic Checks for Understanding
Assessing student learning on a regular basis is critical for ensuring student mastery. Effective checks for understanding are deliberate and purposeful. Methods to ensure effective checks include: Direct questioning and paraphrasing, written responses, Think-Pair-Share, use of white boards, small group quick discussions, use of signs or cues, and choral response.

Instructional Consistency
Instructional consistency supports academic achievement and assists leadership in supporting teachers. It provides a common platform for instructional discussions and ensures that every staff member communicates to students from a common set of instructional expectations. Through three weeks of professional development over the summer, staff and leadership have multiple conversations and role-play instructional delivery to ensure consistency.

Rap, Rhythm and Rhyme & Kinesthetic Learning
Chanting and rhyming create excitement about learning and help children remember key concepts. Additionally, physical activity maintains student engagement and makes learning fun. Students learn new concepts and definitions using hand signals, finger snapping, and other gestures and teachers reward individual/group academic performance while instruction is actively occurring.

Taxonomy of Teaching
VCP uses a variety of academic, behavioral and advanced instructional techniques that reinforce student expectations and build high levels of student engagement. VCP selects two–three techniques as part of professional development focus each year.

Gradual Release "I do/we do/you do:" When appropriate, the lesson begins with the teacher demonstrating the concept/skill – "I do," and then providing opportunities to learn and practice the concept together – "we do." Students practice the concept independently –"you do" – for individual mastery. This gradual release is particularly important as students move from grade two toward grade five.

In addition to the instructional strategies listed, Vista College Prep also emphasizes the importance of having both an extended school day and school year to maximize learning, using data strategically to push student achievement, developing students and teachers as leaders, providing a structured and supportive school culture, and empowering families to take active roles in their students' education and the school community.

Enrollment Demand Methodology

For verifiable enrollment demand required by A.R.S. 12-2141(B)(3), please provide a description of the methodology used to evaluate enrollment demand.

Vista College Prep currently serves nearly 400 students and is seeking to more than double that capacity through access to capital through the Arizona Credit Enhancement Program.

VCP-Maryvale is located in a densely populated area with a high need for high-performing schools. In fact, as shown in Figure 1 below, the area immediately surrounding VCP-Maryvale (approximately two-mile radius) is 3.21x as densely populated with households with minors as the area surrounding VCP-Hadley. In the 2017-18 school year, VCP-Hadley had a wait list of 10% of the grade level population in all but two grades, and in some grades a wait list exceeding 20% of the grade level population. The high demand at VCP-Hadley, despite being located in an area lacking high population density, demonstrates the efficacy of VCP's model. Demonstrating the impact of Maryvale's higher population density on enrollment demand, in recruiting for VCP-Maryvale, VCP identified over 800 interested families with children in grades kindergarten through second grade mostly located within a two-mile radius of VCP-Maryvale.

Further, there is an obvious need for high-performing schools. This past academic year, third graders in the Maryvale area averaged just 17% proficiency in literacy and 21% proficiency in math on the AzMERIT. With 6,453 kindergarten through fifth grade students attending the aforementioned schools during the 2016-17 school year, there is a high need and demand for VCP-Maryvale's planned expansion. In fact, in third grade math and literacy, no school within three miles of VCP-Maryvale surpassed the state average, whereas VCP students scored in the 96.5th in math and 95th percentile in literacy. These statistics are further detailed in Table 2 below and the accompanying graph.

Additionally, VCP-Maryvale's planned expansion is sustainable. Vista College Prep is expanding through a slow-growth model. This ensures that growth is sustainable, and that strong academic and operational results are not sacrificed as a result of this growth. By taking a slow-growth approach, VCP is confident it can reach the enrollment goals outlined in the breakdown of VCP-Maryvale's growth in Table 1.

Based on the lack of quality options currently available near VCP-Maryvale, strong population density, and strategic slow growth, VCP-Maryvale is well positioned to continue its planned expansion from a capacity of 88 students kindergarten through second grade in the 2017-18 school year to 528 students for the 2023-24 school year.

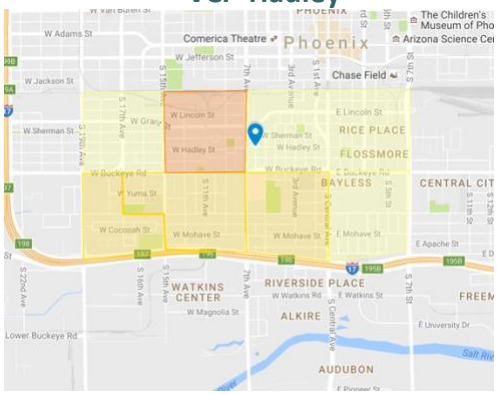
Table 1: Slow-Growth of VCP-Maryvale

Grade	Year						
	2017-18 FY18	*2018-19 FY19*	*2019-20 FY20*	*2020-21 FY21*	*2021-22 FY22*	*2022-23 FY23*	*2023-24 FY24*
Kindergarten	22	44	88	88	88	88	88
1st Grade	22	44	88	88	88	88	88

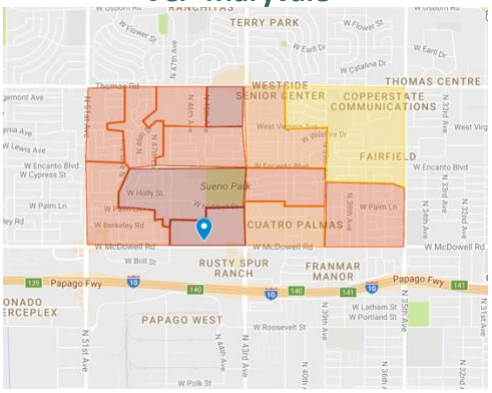
2nd Grade	22	44	66	88	88	88	88
3rd Grade	0	22	44	66	88	88	88
4th Grade	0	0	22	44	66	88	88
5th Grade	0	0	0	22	44	66	88
Total	66	154	308	396	462	506	528

Figure 1: Density Analysis for VCP-Hadley and VCP-Maryvale

VCP-Hadley



VCP-Maryvale

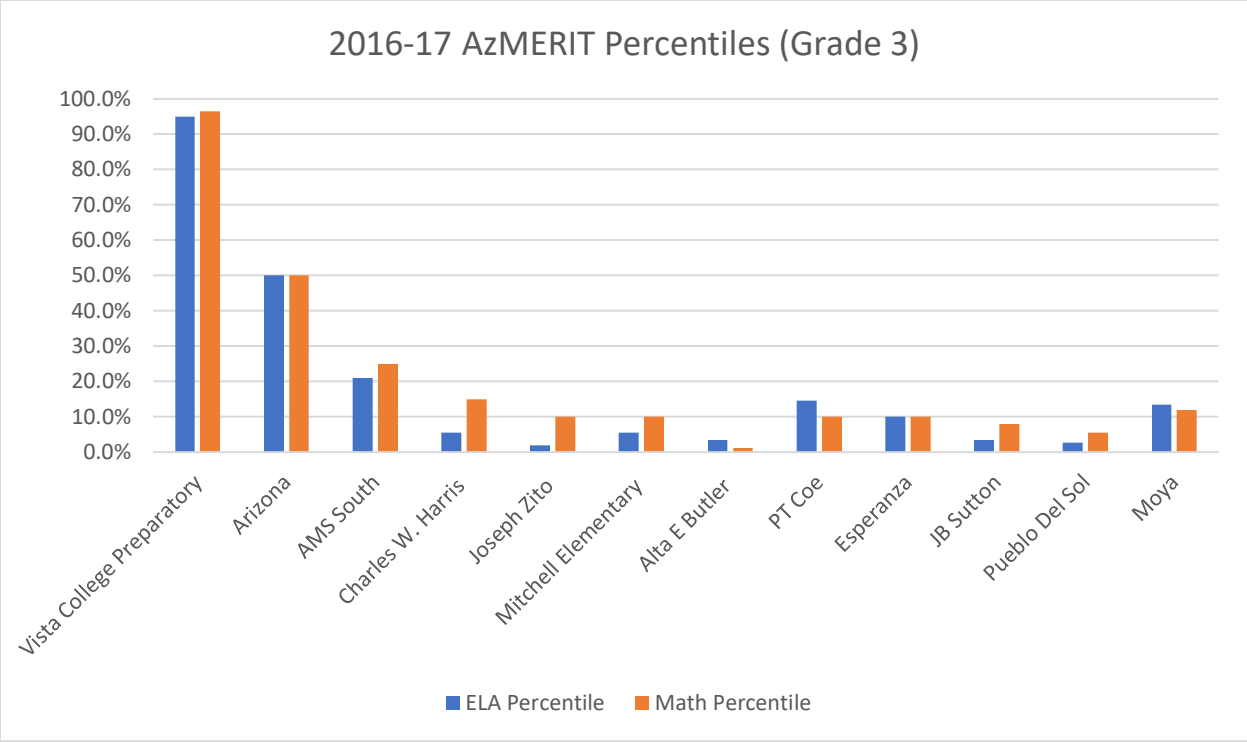


Households with minors/mi^2

2,000 < 2,500 | 1,500 < 2,000 | 1,000 < 1,500 | 500 < 1,000 | < 500

Table 2: 2016-17 AzMERIT 3rd Grade Results for Schools Near VCP-Maryvale

School + Distance	ELA	Math	ELA Percentile	Math Percentile	± State Avg (ELA)	± State Avg (Math)
Vista College Preparatory	75	82	95.0%	96.5%	31	38
Arizona	44	47	50.0%	50.0%	0	0
Academy of Math and Science South (3 miles)	24	29	21.0%	25.0%	(20)	(18)
Charles W. Harris (2.3 miles)	13	23	5.5%	15.0%	(31)	(24)
Joseph Zito (.9 mile)	9	19	2.0%	10.0%	(35)	(28)
Mitchell Elementary (.7 mile)	13	19	5.5%	10.0%	(31)	(28)
Alta E Butler (1.3 miles)	12	7	3.5%	1.3%	(32)	(40)
PT Coe (1.7 miles)	20	19	14.5%	10.0%	(24)	(28)
Esperanza (1.9 miles)	17	19	10.0%	10.0%	(27)	(28)
JB Sutton (2.4 miles)	12	17	3.5%	8.0%	(32)	(30)
Pueblo Del Sol (2.5 miles)	11	14	2.8%	5.5%	(33)	(33)
Moya (1.7 miles)	20	21	13.5%	12.0%	(24)	(26)


2016-17 AzMERIT Percentiles (Grade 3)
100.0%
90.0%
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
Vista College Preparatory
Arizona
AMS South
Charles W. Harris
Joseph Zito
Mitchell Elementary
Alta E Butler
PT Coe
Esperanza
JB Sutton
Pueblo Del Sol
Moya
ELA Percentile
Math Percentile

School	*Capacity**	*Enrolled**	*Need**	*% Enrolled*	*Waitlist/ Intent to Enroll*	*ID'ed*
Hadley	384	377	8	98%	63	120
Maryvale	154	122	32	79%	204	550
	538	499	40	93%	267	670

*As of June 1, 2018; Represents capacity, enrollment, and interest for the 2018-19 school year.

Definitions

ID'ed: Students VCP staff have identified as eligible to enroll at VCP (age appropriate and within geographic area).

	*Capacity**	*Enrolled**	*Need**	*% Enrolled*	*Waitlist/ Intent to Enroll*	*ID'ed*
Kinder	44	44	0	100%	105	
1st	44	29	15	66%	30	550^
2nd	44	27	17	61%	46	
3rd	22	22	0	100%	23	
Total	154	122	32	79%	204	550

*As f June 1, 2018

Indicates addition of new section(s).

^ Represents number of students VCP has identified but who are yet to fill out a form on or offline to express interest in 2018-19 school year.

	*Capacity**	*Enrolled**	*Need**	*% Enrolled*	*Waitlist/ Intent to Enroll*	*ID'ed*
Kinder	63	63	0	100%	24	
1st	63	60	3	95%		
2nd	63	61	2	97%	9	
3rd	63	63	0	100%	3	120^^
4th	44	41	3	93%	1	
5th	44	46	-2^	105%	24	
6th	44	43	1	98%	2	
Total	384	377	8	98%	63	120

*As of June 1, 2018.

^The over-enrollment in this grade is due to student retention.

^^ Represents number of students VCP has identified but who are yet to fill out a form on or offline to express interest in 2018-19 school year.

EMPOWER
COLLEGE PREP

June 5, 2018

To Whom It May Concern:

Vista College Prep and Empower College Prep have agreed to partner for an unspecified period whereby Vista College Prep will assist Empower College Prep with curriculum and instructional support. During these discussions, other areas of school operations may be discussed and assisted on an as-needed basis. Either school in this agreement may leave the agreement at any time wherein either school feels that the areas above have been discussed and significant progress and improvement has been made. Both schools agree to act in good faith and attest to being unrelated and unaffiliated schools and entities for this purpose.

Sincerely,

Brian Holman
Executive Director, Empower College Prep

Partnership with Underperforming School File

For a commitment to provide technical assistance to an Underperforming school in the State, as required by A.R.S. 15-2141(B)(5), please provide a letter from an Unaffiliated and Underperforming school that confirms the applicant School's commitment and that identifies the areas of support being, or to be, provided.

Vista College Prep has identified several rural, underperforming schools in Arizona that it is currently working with to identify specific areas of support to provide technical assistance. Once this is agreed upon by all parties, VCP will provide a letter from the underperforming school outlining the technical assistance to be provided.

Poverty Indicators

Pursuant to A.R.S. 15-241 (b)(6), Applicants shall also provide information concerning any poverty indicators of its student population, including the ration of students eligible for a free or reduced cost lunch program.

Vista College Preparatory is dedicated to improving the lives of low-income students. Both of Vista College Prep's two school sites, VCP-Hadley and VCP-Maryvale, serve student populations of which over 90% of students qualify for free and reduced priced lunch.

Table 1: Vista College Prep – Hadley and Vista College Prep – Maryvale FRPL	
School	*FRPL %*
VCP-Hadley	**93%**
VCP-Maryvale	**92.5%**
Average	**92.75%**

Below is further data concerning poverty indicators for the student population and surrounding community for both VCP-Maryvale and VCP-Hadley. The data is organized by Census Tract; VCP-Hadley is located in Census Tract 1142 and VCP-Maryvale is located in Census Tract 1123.01 (marked with an asterisk (*) in the tables below). The Census Tracts immediately surrounding the respective school sites is included to provide a complete picture of the surrounding community that VCP serves.

Additionally, economic and educational attainment data for the County and State are provided to serve as a comparison for the communities VCP serves. From these data sets, we can clearly see that both VCP-Hadley and VCP-Maryvale serve low-income communities. In fact, the median household income for residents of Central City South is only 36% of that for the County. In Maryvale, the median income is slightly higher, but still only 47% of that for the County. Finally, health and crime data for these areas indicate that there is a high-need for a high-quality school such as Vista College Prep.

Table 2: Vista College Prep – Hadley: Economic and Educational Attainment[1]				
Census Tract	*Median Household Income*	*Labor Force Participation^*	*High School Graduate or More*	*Bachelor's Degree or More*
1142*	**$16,838**	**47.6%**	**58.9%**	**15.9%**
1143.02	**$17,649**	**45.6%**	**51.7%**	**7.1%**
1148	**$32,962**	**43.8%**	**49.3%**	**4.9%**
1149	**$11,065**	**31.8%**	**42.4%**	**5.7%**
Average	**$19,628.50**	**42.2%**	**50.58%**	**8.4%**

Table 3: Vista College Prep – Maryvale: Economic and Educational Attainment				
Census Tract	*Median Household Income*	*Labor Force Participation^*	*High School Graduate or More*	*Bachelor's Degree or More*
1123.01*	**$27,847**	**61.2%**	**48%**	**7.1%**
1123.02	**$22,903**	**56.8%**	**62.9%**	**5.6%**
1122.02	**$28,289**	**50.4%**	**66.7%**	**5.2%**

[1] Economic and Educational Attainment: https://www.census.gov/censusexplorer/censusexplorer.html

1126.01	**$20,917**	**48.6%**	**51.4%**	**8.8%**
Average	**$24,989**	**54.25%**	**57.25%**	**6.68%**

Table 4: County and State: Economic and Educational Attainment				
Census Tract	*Median Household Income*	*Labor Force Participation*	*High School Graduate or More*	*Bachelor's Degree or More*
Maricopa	**$53,596**	**64.3%**	**86.4%**	**29.8%**
Arizona	**$49,774**	**60.6%**	**85.7%**	**26.9%**
Average	**$51,685**	**62.45%**	**86.05%**	**28.35%**

Table 5: Vista College Prep – Hadley: Health[2] and Crime Data[3]				
Census Tract	*Medically Underserved?*	*Health Professional Shortage Area? (Primary Care)*	*Health Professional Shortage Area? (Mental Health)*	*Crime Index (National Average =100)*
1142*	**Y**	**Y**	**Y**	**297**
1143.02	**Y**	**Y**	**Y**	**176**
1148	**N**	**Y**	**Y**	**251**
1149	**Y**	**Y**	**Y**	**343**
Average				**266.75**

Table 5: Vista College Prep – Maryvale: Health and Crime Data				
Census Tract	*Medically Underserved?*	*Health Professional Shortage Area? (Primary Care)*	*Health Professional Shortage Area? (Mental Health)*	*Crime Index (National Average =100)*
1123.01*	**N**	**Y**	**Y**	**160**
1123.02	**Y**	**Y**	**Y**	**218**
1122.02	**N**	**Y**	**Y**	**290**
1126.01	**N**	**Y**	**Y**	**149**
Average				**204.25**

[2] Health Data: https://datawarehouse.hrsa.gov/Tools/MapTool.aspx?layerid=A070201
[3] Crime Data:
http://nation.maps.arcgis.com/apps/OnePane/splash/index.html?appid=8125e8f4244a47d986f4cd840824eef3

VISTA COLLEGE PREPARATORY, INC.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORTS

FOR THE YEARS ENDED JUNE 30, 2016, 2015, AND 2014

VISTA COLLEGE PREPARATORY, INC.
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Brett V. Backlund CPA, PC

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Independent Auditor's Report

Board of Directors
Vista College Preparatory, Inc.

Report on the Financial Statements
We have audited the accompanying financial statements of Vista College Preparatory, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016, 2015, and 2014, and the related statements of activities and cash flows for the years ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Vista College Preparatory, Inc. as of June 30, 2016, 2015, and 2014, and the changes in its net assets and its cash flows for the years ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2016, on our consideration of Vista College Preparatory, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Vista College Preparatory, Inc.'s internal control over financial reporting and compliance.

Brett V. Backlund, CPA, PC
Gilbert, Arizona
November 14, 2016

VISTA COLLEGE PREPARATORY, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2016, 2015, AND 2014

	2016	2015	2014
ASSETS			
Cash and cash equivalents	$ 458,882	$ 228,196	$ 68,965
Accounts receivable	26,401	17,203	-
Due from governmental agencies	41,837	10,744	786
Prepaid expenses	25,417	4,300	4,079
Refundable deposits	-	18,959	16,793
Deferred financing costs, net	72,650	57,680	-
Property and equipment, net	2,563,795	1,223,819	97,324
TOTAL ASSETS	$ 3,188,982	$ 1,560,901	$ 187,947
LIABILITIES AND NET ASSETS			
Accounts payable and accrued expenses	$ 26,117	$ 124,619	$ 25,731
Accrued payroll and related benefits	-	45	-
Unearned revenues	211,831	15,926	8,743
Notes payable	2,608,333	1,110,198	-
Notes payable to related parties	-	-	10,000
TOTAL LIABILITIES	2,846,281	1,250,788	44,474
NET ASSETS			
Unrestricted:			
Undesignated	320,363	282,925	129,916
Temporarily restricted:			
Extracurricular activities fees tax credit	22,338	27,188	13,557
TOTAL NET ASSETS	342,701	310,113	143,473
TOTAL LIABILITIES AND NET ASSETS	$ 3,188,982	$ 1,560,901	$ 187,947

See accompanying notes to financial statements.

VISTA COLLEGE PREPARATORY, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2016, 2015, AND 2014

	2016	2015	2014
UNRESTRICTED NET ASSETS			
Unrestricted Revenues and Gains:			
Revenue from local sources	$ 314,194	$ 201,720	$ 367,443
Revenue from state sources	1,150,050	704,627	310,018
Revenue from federal sources	490,876	404,922	227,090
Total Unrestricted Revenues and Gains	1,955,120	1,311,269	904,551
Net Assets Released from Restrictions:			
Satisfaction of program restrictions	33,650	4,194	-
Total Unrestricted Revenues, Gains, and Other Support	1,988,770	1,315,463	904,551
Expenses and Losses:			
Personal services - salaries	822,809	512,396	327,525
Personal services - benefits	110,077	64,718	39,424
Purchased professional and technical services	214,648	117,526	71,543
Purchased property services	128,319	125,938	129,144
Other purchased services	230,390	150,560	105,671
Supplies	249,752	167,057	129,812
Depreciation and amortization	56,145	18,336	7,583
Interest	91,411	-	-
Other expenses and losses	47,781	5,923	2,306
Total Expenses and Losses	1,951,332	1,162,454	813,008
CHANGES IN UNRESTRICTED NET ASSETS	37,438	153,009	91,543
TEMPORARILY RESTRICTED NET ASSETS			
Contributions:			
Extracurricular activities fees tax credit	28,800	17,825	13,557
Net assets released from restrictions:			
Extracurricular activities fees tax credit	(33,650)	(4,194)	-
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS	(4,850)	13,631	13,557
CHANGES IN NET ASSETS	32,588	166,640	105,100
NET ASSETS, BEGINNING	310,113	143,473	38,373
NET ASSETS, ENDING	$ 342,701	$ 310,113	$ 143,473

See accompanying notes to financial statements.

VISTA COLLEGE PREPARATORY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2016, 2015, AND 2014

	2016	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Changes in net assets	$ 32,588	$ 166,640	$ 105,100
Adjustments to reconcile changes in net assets to net cash from/(used in) operating activities:			
Depreciation and amortization	56,145	18,336	7,583
(Gains)/losses on deferred finance costs	45,044	-	-
(Increase)/decrease in operating assets:			
Accounts receivable	(9,198)	(17,203)	-
Due from governmental agencies	(31,093)	(9,958)	(786)
Prepaid expenses	(21,117)	(221)	3,103
Refundable deposits	18,959	(2,166)	(15,573)
Increase/(Decrease) in operating liabilities:			
Accounts payable and accrued expenses	(98,502)	98,888	2,358
Accrued payroll and related benefits	(45)	45	-
Unearned revenues	195,905	7,183	(211,463)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	188,686	261,544	(109,678)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property and equipment	(10,830)	(92,313)	(104,906)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	(10,830)	(92,313)	(104,906)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from notes and loans payable	79,696	-	10,000
Payments on notes and loans payable	(26,866)	(10,000)	-
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	52,830	(10,000)	10,000
NET CHANGES IN CASH AND CASH EQUIVALENTS	230,686	159,231	(204,584)
CASH AND CASH EQUIVALENTS, BEGINNING	228,196	68,965	273,549
CASH AND CASH EQUIVALENTS, ENDING	$ 458,882	$ 228,196	$ 68,965
SUPPLEMENTAL INFORMATION			
Noncash investing and financing activities:			
Acquisition of facilities through notes payable	$ 1,319,292	$ 1,110,198	$ -
Payments of notes payable through new notes payable		1,331,814	-
-			
Cash paid for interest	$ 91,411	$ -	$ -

See accompanying notes to financial statements.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization
Vista College Preparatory, Inc. (School) is an Arizona not-for-profit organization established on January 27, 2012 to operate a charter school whose mission is through academic rigor and leadership development, the School educates all kindergarten through fifth grade students for success in middle school, achievement in high school, and graduation from college. The School entered into a fifteen year charter contract on May 22, 2013 with the Arizona State Board for Charter Schools (Sponsor), which mandates policies and operational guidelines. The School provides educational services in Phoenix, Arizona to approximately 175 students in kindergarten through third grades, and is funded primarily through its sponsor, based on student membership.

Significant Accounting Policies
The School prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit organizations. The significant accounting and reporting policies used by the School are described below to enhance the usefulness and understandability of the financial statements.

Cash and Cash Equivalents – Cash and cash equivalents can be short term, interest bearing, highly liquid investments with original maturities of three months or less, unless the investments are held for meeting restrictions of a capital nature.

Gifts-in-Kind Contributions – The School periodically receives contributions in a form other than cash or investments. If the School receives a contribution of property and equipment, the contributed asset is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the School's capitalization policy. During the year ended June 30, 2014, the School received $64,500 of property and equipment.

Donated use of facilities is reported as contributions and as expenses at the estimated fair value of similar space for rent under similar conditions. If the use of the space is promised unconditionally for a period greater than one year, the contribution is reported as a contribution and an unconditional promise to give at the date of gift, and the expense is reported over the term of use. Donated supplies are recorded as contributions at the date of gift and as expenses when the donated items are placed into service or distributed.

The School may benefit from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the School's program operations. However, the majority of the contributed services do not meet the criteria for recognition in the financial statements. GAAP allows recognition of contributed services only if (a) the services create or enhance non-financial assets, or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills. No amounts have been reflected in the financial statements for donated services since they do not meet the criteria for recognition.

Grant Revenue – Grant revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Grant revenue from federal agencies is subject to independent audit under the Office of Management and Budget Circular A-133 and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, the School's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the School.

Property and Equipment – Land, buildings, and improvements with a cost of $3,000 or more and vehicles, furniture, and equipment with both a cost of $300 or more and an estimated useful life of one year or more are capitalized. Assets are stated at cost. Assets donated are recorded at their estimated fair market value as of the date received. Repairs and maintenance that does not significantly increase the useful life of the asset are expensed as incurred. Amortization of buildings and improvements and depreciation of furniture and equipment are provided on a straight–line basis over the useful life of the respective assets, which ranges from 2 to 30 years. Property and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements during the current period.

Net Assets – The financial statements can report net assets and changes in net assets in three classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

> Unrestricted Net Assets – Unrestricted net assets are resources available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the normal course of its operations.
>
> Temporarily Restricted Net Assets – Temporarily restricted net assets are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The School's unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted funds. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from temporarily restricted to unrestricted net assets. Net assets restricted for acquisition of property or equipment (or less commonly, the contribution of those assets directly) are reported as temporarily restricted until the specified asset is placed in service by the School, unless the donor provides more specific directions about the period of its use.
>
> Permanently Restricted Net Assets – Permanently restricted net assets are resources whose use by the School is limited by donor-imposed restrictions that neither expires by being used in accordance with a donor's restriction nor by the passage of time.

All revenues and net gains are reported as increases in unrestricted net assets in the statement of activities unless the use of the related resources is subject to temporary or permanent donor restrictions. All expenses and net losses are reported as decreases in unrestricted net assets.

Accounting for Contributions – Contributions are recognized when received. All contributions are reported as increases in unrestricted net assets unless use of the contributed asset is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in either temporarily restricted or permanently restricted net assets, consistent with the nature of the restriction. However, if a restriction is fulfilled in the same time period in which the contribution is received, the School reports that support as unrestricted. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions.

Classroom Site Fund – In June of 2000, the Arizona Legislature created a Classroom Site Fund (CSF) to be administered by the Arizona Department of Education (ADE). CSF was created to provide funding to school districts and charter schools for designated purposes. ADE administers and allocates CSF funds to the School based on student count and other factors specified by statute The School must allocate funding from CSF according to the following statutory parameters:

> Project 1011 – 20% of the funds must be used for teacher base salary increases and employment related expenses.
>
> Project 1012 – 40% of the funds must be used for performance based teacher compensation increases and teacher employment related expenses.
>
> Project 1013 – 40% of the funds must be used for maintenance and operations purposes including class-size reduction, teacher compensation increases, AIMS intervention programs, teacher development, dropout prevention programs, and teacher liability insurance premiums.

CSF funds are non-reverting. Therefore, unspent monies at fiscal year-end may be used in future years with the restrictions originally placed on the revenue still applicable. In accordance with statutory requirements, unexpended balances must be carried forward in each of the three projects (1011, 1012, and 1013).

Advertising Costs – All costs associated with advertising and promotion are expensed in the period incurred. Advertising costs consisted of the following for the years ended June 30:

	2016	2015	2014
Advertising costs	$ 15,504	$ 14,878	$ 25,808

Use of Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the School's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The School's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Tax Status – The School is incorporated exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code and state income taxation under Arizona Revised Statute (A.R.S.) §43-1201, though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the Code or A.R.S.). Contributions to the School are tax deductible to donors under section 170 of the Code. The School is not classified as a private foundation. The School's Form 990, *Return of Organization Exempt from Income Tax*, is generally subject to examination by the Internal Revenue Service for three years after the date filed. As of June 30, 2016, the returns for 2015, 2014, 2013, and 2012 remain subject to examination. Lastly, the School has not taken any uncertain tax positions, and, therefore, has no policy for evaluating them.

Fair Value Measurements – The School reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted prices for identical assets or liabilities in active markets to which the organization has access at the measurement date.

Level 2 – Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets in markets that are not active;
- observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
- inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3 – Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

When available, the organization measures fair value using level 1 inputs because they generally provide the most reliable evidence of fair value. However, level 1 inputs are not available for many of the assets and liabilities that the organization is required to measure at fair value (for example, unconditional promises to give and in-kind contributions).

The School's primary uses of fair value measures in the financial statements are cash and cash equivalents, due from governmental agencies, and other current assets and liabilities, and notes payable. The recorded values for these financial instruments approximate their fair values based on their short-term nature.

Expense Recognition and Allocation – The cost of providing the School's programs and other activities is summarized on a functional basis in Note 3. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the School.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The School generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising.

Subsequent Events – The School has reviewed all subsequent events through November 14, 2016, which was the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

Prior Year Amounts – Certain prior year amounts have been reclassified to conform to current year presentation.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash in Bank – The School maintains all of its cash with one financial institution. The carrying amount of deposits and bank balances consisted of the following as of the years ended June 30:

	2016	2015	2014
Carrying amount of deposits	$ 458,882	$ 228,196	$ 68,965
Bank balances:			
Insured by Federal Deposit Insurance Corporation	$ 250,000	$ 235,991	$ 34,614
Uninsured and uncollateralized	284,406	-	-
Total bank balances	$ 534,406	$ 235,991	$ 34,614

Restricted Cash – Monies received from the Classroom Site Fund are restricted solely for use at school sites. Unspent monies at fiscal year-end may be used in future years with the restrictions originally placed on the revenue still applicable. In accordance with statutory requirements, unexpended balances must be carried forward in each of the three projects (1011, 1012, and 1013). Restricted cash related to the Classroom Site Fund consisted of the following as of the years ended June 30:

	2016	2015	2014
Restricted cash for Classroom Site Fund:			
Project 1011	$ 1,130	$ -	$ -
Project 1012	2,260	12,923	806
Project 1013	2,259	-	-
Total restricted cash for Classroom Site Fund	$ 5,649	$ 12,923	$ 806

NOTE 3 – FUNCTIONAL CLASSIFICATION OF EXPENSES

Expenses by function consisted of the following for the years ended June 30:

	2016	2015	2014
Program services:			
Charter school	$ 1,484,541	$ 933,282	$ 691,057
Total program services	1,484,541	933,282	691,057
Support services:			
Management and general	466,791	229,172	121,951
Total support services	466,791	229,172	121,951
Total expenses and losses	$ 1,951,332	$ 1,162,454	$ 813,008

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of the years ended June 30:

	2016	2015	2014
Property and equipment:			
Land and improvements	$ 271,792	$ 271,792	$ -
Site improvements	79,634	79,634	-
Building and improvements	1,058,017	428,327	96,382
Equipment	10,830	8,525	8,525
Construction in progress	1,216,181	461,460	-
Total property and equipment	2,636,454	1,249,738	104,907
Accumulated depreciation and amortization	(72,659)	(25,919)	(7,583)
Property and equipment, net	$ 2,563,795	$ 1,223,819	$ 97,324

Depreciation and amortization expense consisted of the following for the years ended June 30:

	2016	2015	2014
Depreciation and amortization expense	$ 46,740	$ 18,336	$ 7,583

NOTE 5 – DEFERRED FINANCING COSTS

During the year ended June 30, 2015, the School incurred deferred financing charges totaling $57,680 associated with the costs to obtain financing in order to build out its current facility in Phoenix, Arizona. During the year ended June 30, 2016, the School refinanced the existing note payable and again incurred deferred financing charges totaling $77,248 with its new obligation, which resulted in the School incurring a loss of $45,044. Amortization of the deferred loan costs is provided on a straight-line basis over the life of the underlying financial instruments, which is seven (7) years. Deferred financing costs consisted of the following as of the years ended June 30:

	2016	2015	2014
Deferred financing costs	$ 77,248	$ 57,680	$ -
Accumulated amortization	(4,598)	-	-
Deferred financing costs, net	$ 72,650	$ 57,680	$ -

Amortization expense consisted of the following for the years ended June 30:

	2016	2015	2014
Amortization expense	$ 9,405	$ -	$ -

NOTE 6 – NOTES PAYABLE

Notes payable consisted of the following as of the years ended June 30:

	2016	2015	2014
Master Construction to Permanent Loan to a nonprofit corporation with an original amount of $3,400,000, an interest rate of 5.88% during the construction period of twenty-four (24) months with interest only payments payable through February 1, 2018. The Permanent Loan matures on February 1, 2022. The note is secured by a Deed of Trust on the School's property.	$ 2,608,333	$ -	$ -
Note payable to a nonprofit corporation with an original amount of $1,535,000, an interest rate of 6.50%, and payable in monthly principal and interest payments of $11,445 through June 30, 2022. The note is secured by a Deed of Trust on the School's property.	-	1,110,198	-
Total notes payable	$ 2,608,333	$ 1,110,198	$ -

Maturities of the notes payable as of June 30, 2016 are summarized as follows:

Fiscal year ending June 30:	
Thereafter	$ 2,608,333
Total notes payable	$ 2,608,333

Interest expense on the notes payable consisted of the following for the years ended June 30:

	2016	2015	2014
Interest expense on notes payable	$ 91,411	$ -	$ -

NOTE 7 – NOTES PAYABLE TO RELATED PARTIES

Notes payable to related parties consisted of the following as of the years ended June 30:

	2016	2015	2014
Note payable to a related party with an original amount of $5,000 payable on September 1, 2014. The note bears no interest and is unsecured.	$ -	$ -	$ 5,000
Note payable to a related party with an original amount of $5,000 payable on October 1, 2014. The note bears no interest and is unsecured.	-	-	5,000
Total notes payable to related parties	$ -	$ -	$ 10,000

NOTE 8 – COMMITMENTS AND CONTINGENT LIABILITIES

Litigation – The School is contingently liable for claims, either asserted or unasserted, and judgments resulting from lawsuits incidental to the normal operation of a school. While the outcome of these claims cannot be predicted with certainty, management does not believe that the outcome of any of these matters will have a material adverse effect on the School's financial position, results of operations, or liquidity. Accordingly, no provision for possible losses is reflected in the financial statements.

Compliance – The School's compliance with certain laws and regulations is subject to review by its Sponsor. Although such reviews could result in a reduction of state equalization assistance, any required reductions are not expected to be significant.

Construction Contracts – Effective March 4, 2015, the School entered into a construction contract with Stevens Leinweber Construction, Inc. for the buildout of the School's existing facility at the Phoenix, Arizona campus. Construction costs totaling $461,460 incurred through June 30, 2015 have been capitalized as contruction in progress. During the year ended June 30, 2016, the project was completed in time to begin the 2015-2016 school year, and costs incurred totaling $478,625 were capitalized as building and improvements.

Effective January 12, 2016, the School entered into a construction contract again with Stevens Leinweber Construction, Inc. to complete construction of additional facilities at the School's Phoenix campus. Construction costs totaling $1,216,181 incurred through June 30, 2016 have been capitalized as construction in progress. The project was completed and put in use prior to the beginning of 2016-2017 school year.

Operating Leases – The School leased facilities under the provisions of a lease agreement classified as operating leases for accounting purposes. Rent expense under the lease agreements consisted of the following for the years ended June 30:

	2016	2015	2014
Rent expense	$ -	$ 64,575	$ 77,000

NOTE 9 - CONCENTRATIONS OF RISK

Amounts held in financial institutions can occasionally be in excess of the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation limits. The School deposits its cash with high quality financial institutions, and management believes the School is not exposed to significant credit risk on those amounts.

A significant portion of the School's annual funding comes from agencies of the federal and state governments, including primarily the Arizona Department of Education. As such, the School's ability to generate resources via contributions and grants is dependent upon the economic health of the federal government and the state of Arizona. An economic downturn could cause a decrease in contributions and grants that coincides with an increase in demand for the School's services. In addition, if the state of Arizona and its agencies significantly reduced the level of support provided to the School it would have a material effect on the School's operations. The School's management is aware of the concentration and its potential impact on its programs, and would take appropriate action if any reduction did occur.

NOTE 10 – EMPLOYEE BENEFIT PLANS

Effective July 1, 2015, the School contributes amounts to a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) retirement plan. The School has elected to contribute to the employees' SIMPLE IRA equal to their salary reduction contributions up to a limit of 3.0% of their compensation for the year ended June 30, 2016. Contributions to the employees accounts consisted of the following for the years ended June 30:

	2016	2015	2014
Contributions to employees accounts	$ 10,105	$ -	$ -

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Directors
Vista College Preparatory, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Vista College Preparatory, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated November 14, 2016.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brett V. Backlund, CPA, PC
Gilbert, Arizona
November 14, 2016

VISTA COLLEGE PREPARATORY, INC.
STATUS OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2016

We have reviewed the School's prior year schedule of findings and responses contained in the prior year audit report dated October 29, 2015. The School did not have any deficiencies in internal control over financial reporting or instances of noncompliance or other matters, therefore, no corrective action was necessary.

VISTA COLLEGE PREPARATORY, INC.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORTS

FOR THE YEARS ENDED JUNE 30, 2017, 2016, AND 2015

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Independent Auditor's Report

Board of Directors
Vista College Preparatory, Inc.

Report on the Financial Statements
We have audited the accompanying financial statements of Vista College Preparatory, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017, 2016, and 2015, and the related statements of activities and cash flows for the years ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Vista College Preparatory, Inc. as of June 30, 2017, 2016, and 2015, and the changes in its net assets and its cash flows for the years ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2017, on our consideration of Vista College Preparatory, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Vista College Preparatory, Inc.'s internal control over financial reporting and compliance.

Brett V. Backlund, CPA, PC

Brett V. Backlund, CPA, PC
Gilbert, Arizona
October 27, 2017

VISTA COLLEGE PREPARATORY, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2017, 2016, AND 2015

	2017	2016	2015
ASSETS			
Cash and cash equivalents	$ 1,556,874	$ 458,882	$ 228,196
Accounts receivable	-	26,401	17,203
Due from governmental agencies	46,307	41,837	10,744
Prepaid expenses	3,539	25,417	4,300
Refundable deposits	-	-	18,959
Property and equipment, net	3,258,365	2,563,795	1,223,819
TOTAL ASSETS	$ 4,865,085	$ 3,116,332	$ 1,503,221
LIABILITIES AND NET ASSETS			
Accounts payable and accrued expenses	$ 48,428	$ 26,117	$ 124,619
Accrued payroll and related benefits	6,854	-	45
Deferred rent	4,033	-	-
Unearned revenues	335,731	211,831	15,926
Notes payable	3,390,707	2,535,683	1,052,518
TOTAL LIABILITIES	3,785,753	2,773,631	1,193,108
NET ASSETS			
Unrestricted:			
Undesignated	1,056,994	320,363	282,925
Temporarily restricted:			
Extracurricular activities fees tax credit	22,338	22,338	27,188
TOTAL NET ASSETS	1,079,332	342,701	310,113
TOTAL LIABILITIES AND NET ASSETS	$ 4,865,085	$ 3,116,332	$ 1,503,221

See accompanying notes to financial statements.

VISTA COLLEGE PREPARATORY, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2017, 2016, AND 2015

	2017	2016	2015
UNRESTRICTED NET ASSETS			
Unrestricted Revenues and Gains:			
Revenue from local sources	$ 1,179,522	$ 314,194	$ 201,720
Revenue from state sources	1,567,172	1,150,050	704,627
Revenue from federal sources	556,557	490,876	404,922
Total Unrestricted Revenues and Gains	3,303,251	1,955,120	1,311,269
Net Assets Released from Restrictions:			
Satisfaction of program restrictions	34,180	33,650	4,194
Total Unrestricted Revenues, Gains, and Other Support	3,337,431	1,988,770	1,315,463
Expenses and Losses:			
Personal services - salaries	1,181,681	822,809	512,396
Personal services - benefits	170,745	110,077	64,718
Purchased professional and technical services	226,856	214,648	117,526
Purchased property services	155,962	128,319	125,938
Other purchased services	224,024	230,390	150,560
Supplies	356,535	249,752	167,057
Depreciation and amortization	113,615	56,145	18,336
Interest	163,867	91,411	-
Other expenses and losses	7,515	47,781	5,923
Total Expenses and Losses	2,600,800	1,951,332	1,162,454
CHANGES IN UNRESTRICTED NET ASSETS	736,631	37,438	153,009
TEMPORARILY RESTRICTED NET ASSETS			
Contributions:			
Extracurricular activities fees tax credit	34,180	28,800	17,825
Net assets released from restrictions:			
Extracurricular activities fees tax credit	(34,180)	(33,650)	(4,194)
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS	-	(4,850)	13,631
CHANGES IN NET ASSETS	736,631	32,588	166,640
NET ASSETS, BEGINNING	342,701	310,113	143,473
NET ASSETS, ENDING	$ 1,079,332	$ 342,701	$ 310,113

See accompanying notes to financial statements.

VISTA COLLEGE PREPARATORY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2017, 2016, AND 2015

	2017	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Changes in net assets	$ 736,631	$ 32,588	$ 166,640
Adjustments to reconcile changes in net assets to net cash from/(used in) operating activities:			
Depreciation and amortization	113,615	56,145	18,336
(Gains)/losses on deferred finance costs	-	45,044	-
(Increase)/decrease in operating assets:			
Accounts receivable	26,401	(9,198)	(17,203)
Due from governmental agencies	(4,469)	(31,093)	(9,958)
Prepaid expenses	21,878	(21,117)	(221)
Refundable deposits	-	18,959	(2,166)
Increase/(Decrease) in operating liabilities:			
Accounts payable and accrued expenses	22,311	(98,502)	98,888
Accrued payroll and related benefits	6,854	(45)	45
Deferred rent	4,033	-	-
Unearned revenues	123,900	195,905	7,183
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	1,051,154	188,686	261,544
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property and equipment	(208,378)	(10,830)	(92,313)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	(208,378)	(10,830)	(92,313)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from notes and loans payable	255,216	79,696	-
Payments on notes and loans payable	-	(26,866)	(10,000)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	255,216	52,830	(10,000)
NET CHANGES IN CASH AND CASH EQUIVALENTS	1,097,992	230,686	159,231
CASH AND CASH EQUIVALENTS, BEGINNING	458,882	228,196	68,965
CASH AND CASH EQUIVALENTS, ENDING	$ 1,556,874	$ 458,882	$ 228,196
SUPPLEMENTAL INFORMATION			
Noncash investing and financing activities:			
Acquisition of facilities through notes payable	$ 615,258	$ 1,319,292	$ 1,110,198
Payments of notes payable through new notes payable	-	1,331,814	-
Cash paid for interest	$ 163,867	$ 91,411	$ -

See accompanying notes to financial statements.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Vista College Preparatory, Inc. (School) is an Arizona not-for-profit organization established on January 27, 2012 to operate a charter school whose mission is through academic rigor and leadership development, the School educates all kindergarten through fifth grade students for success in middle school, achievement in high school, and graduation from college. The School entered into a fifteen year charter contract on May 22, 2013 with the Arizona State Board for Charter Schools (Sponsor), which mandates policies and operational guidelines. The School provides educational services in Phoenix, Arizona to approximately 235 students in kindergarten through third grades, and is funded primarily through its sponsor, based on student membership.

Significant Accounting Policies

The School prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit organizations. The significant accounting and reporting policies used by the School are described below to enhance the usefulness and understandability of the financial statements.

Cash and Cash Equivalents – Cash and cash equivalents can be short term, interest bearing, highly liquid investments with original maturities of three months or less, unless the investments are held for meeting restrictions of a capital nature.

Gifts-in-Kind Contributions – The School periodically receives contributions in a form other than cash or investments. If the School receives a contribution of property and equipment, the contributed asset is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the School's capitalization policy. Donated use of facilities is reported as contributions and as expenses at the estimated fair value of similar space for rent under similar conditions. If the use of the space is promised unconditionally for a period greater than one year, the contribution is reported as a contribution and an unconditional promise to give at the date of gift, and the expense is reported over the term of use. Donated supplies are recorded as contributions at the date of gift and as expenses when the donated items are placed into service or distributed.

The School may benefit from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the School's program operations. However, the majority of the contributed services do not meet the criteria for recognition in the financial statements. GAAP allows recognition of contributed services only if (a) the services create or enhance non-financial assets, or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills. No amounts have been reflected in the financial statements for donated services since they do not meet the criteria for recognition.

Grant Revenue – Grant revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Grant revenue from federal agencies is subject to independent audit under the Office of Management and Budget Circular A-133 and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, the School's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the School.

Property and Equipment – Land, buildings, and improvements with a cost of $3,000 or more and vehicles, furniture, and equipment with both a cost of $300 or more and an estimated useful life of one year or more are capitalized. Assets are stated at cost. Assets donated are recorded at their estimated fair market value as of the date received. Repairs and maintenance that does not significantly increase the useful life of the asset are expensed as incurred. Amortization of buildings and improvements and depreciation of furniture and equipment are provided on a straight–line basis over the useful life of the respective assets, which ranges from 2 to 30 years. Property and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements during the current period.

Deferred Financing Cost – Deferred financing costs are being amortized on a straight-line basis over the term of the underlying notes payable, which is seven (7) years. Accumulated amortization and amortization expense consisted of the following as of and for the years ended June 30:

	2017	2016	2015
Accumulated amortization	$ 16,957	$ 4,598	$ -
Amortization expense	$ 12,359	$ 9,405	$ -

Net Assets – The financial statements can report net assets and changes in net assets in three classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Unrestricted Net Assets – Unrestricted net assets are resources available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the normal course of its operations.

Temporarily Restricted Net Assets – Temporarily restricted net assets are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The School's unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted funds. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from temporarily restricted to unrestricted net assets. Net assets restricted for acquisition of property or equipment (or less commonly, the contribution of those assets directly) are reported as temporarily restricted until the specified asset is placed in service by the School, unless the donor provides more specific directions about the period of its use.

Permanently Restricted Net Assets – Permanently restricted net assets are resources whose use by the School is limited by donor-imposed restrictions that neither expires by being used in accordance with a donor's restriction nor by the passage of time.

All revenues and net gains are reported as increases in unrestricted net assets in the statement of activities unless the use of the related resources is subject to temporary or permanent donor restrictions. All expenses and net losses are reported as decreases in unrestricted net assets.

Accounting for Contributions – Contributions are recognized when received. All contributions are reported as increases in unrestricted net assets unless use of the contributed asset is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in either temporarily restricted or permanently restricted net assets, consistent with the nature of the restriction. However, if a restriction is fulfilled in the same time period in which the contribution is received, the School reports that support as unrestricted. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions.

Classroom Site Fund – In June of 2000, the Arizona Legislature created a Classroom Site Fund (CSF) to be administered by the Arizona Department of Education (ADE). CSF was created to provide funding to school districts and charter schools for designated purposes. ADE administers and allocates CSF funds to the School based on student count and other factors specified by statute The School must allocate funding from CSF according to the following statutory parameters:

Project 1011 – 20% of the funds must be used for teacher base salary increases and employment related expenses.

Project 1012 – 40% of the funds must be used for performance based teacher compensation increases and teacher employment related expenses.

Project 1013 – 40% of the funds must be used for maintenance and operations purposes including class-size reduction, teacher compensation increases, AIMS intervention programs, teacher development, dropout prevention programs, and teacher liability insurance premiums.

CSF funds are non-reverting. Therefore, unspent monies at fiscal year-end may be used in future years with the restrictions originally placed on the revenue still applicable. In accordance with statutory requirements, unexpended balances must be carried forward in each of the three projects (1011, 1012, and 1013).

Advertising Costs – All costs associated with advertising and promotion are expensed in the period incurred. Advertising costs consisted of the following for the years ended June 30:

	2017	2016	2015
Advertising costs	$ 58,612	$ 15,504	$ 14,878

Use of Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the School's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The School's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Tax Status – The School is incorporated exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code and state income taxation under Arizona Revised Statute (A.R.S.) §43-1201, though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the Code or A.R.S.). Contributions to the School are tax deductible to donors under section 170 of the Code. The School is not classified as a private foundation. The School's Form 990, *Return of Organization Exempt from Income Tax*, is generally subject to examination by the Internal Revenue Service for three years after the date filed. As of June 30, 2017, the returns for 2016, 2015, 2014, and 2013 remain subject to examination. Lastly, the School has not taken any uncertain tax positions, and, therefore, has no policy for evaluating them.

Fair Value Measurements – The School reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted prices for identical assets or liabilities in active markets to which the organization has access at the measurement date.

Level 2 – Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets in markets that are not active;
- observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
- inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3 – Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

When available, the organization measures fair value using level 1 inputs because they generally provide the most reliable evidence of fair value. However, level 1 inputs are not available for many of the assets and liabilities that the organization is required to measure at fair value (for example, unconditional promises to give and in-kind contributions).

The School's primary uses of fair value measures in the financial statements are cash and cash equivalents, due from governmental agencies, and other current assets and liabilities, and notes payable. The recorded values for these financial instruments approximate their fair values based on their short-term nature.

Expense Recognition and Allocation – The cost of providing the School's programs and other activities is summarized on a functional basis in Note 3. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the School.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The School generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising.

Subsequent Events – The School has reviewed all subsequent events through October 27, 2017, which was the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

Prior Year Amounts – Certain prior year amounts have been reclassified to conform to current year presentation.

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash in Bank – The School maintains all of its cash with one financial institution. The carrying amount of deposits and bank balances consisted of the following as of the years ended June 30:

	2017	2016	2015
Carrying amount of deposits	$ 1,556,874	$ 458,882	$ 228,196
Bank balances:			
Insured by Federal Deposit Insurance Corporation	$ 250,000	$ 250,000	$ 235,991
Uninsured and uncollateralized	1,332,766	284,406	-
Total bank balances	$ 1,582,766	$ 534,406	$ 235,991

Restricted Cash – Monies received from the Classroom Site Fund are restricted solely for use at school sites. Unspent monies at fiscal year-end may be used in future years with the restrictions originally placed on the revenue still applicable. In accordance with statutory requirements, unexpended balances must be carried forward in each of the three projects (1011, 1012, and 1013). Restricted cash related to the Classroom Site Fund consisted of the following as of the years ended June 30:

	2017	2016	2015
Restricted cash for Classroom Site Fund:			
Project 1011	$ -	$ 1,130	$ -
Project 1012	-	2,260	12,923
Project 1013	-	2,259	-
Total restricted cash for Classroom Site Fund	$ -	$ 5,649	$ 12,923

NOTE 3 – FUNCTIONAL CLASSIFICATION OF EXPENSES

Expenses by function consisted of the following for the years ended June 30:

	2017	2016	2015
Program services:			
Charter school	$ 1,752,749	$ 1,484,541	$ 933,282
Total program services	1,752,749	1,484,541	933,282
Support services:			
Management and general	848,051	466,791	229,172
Total support services	848,051	466,791	229,172
Total expenses and losses	$ 2,600,800	$ 1,951,332	$ 1,162,454

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of the years ended June 30:

	2017	2016	2015
Property and equipment:			
Land and improvements	$ 271,792	$ 271,792	$ 271,792
Site improvements	117,401	79,634	79,634
Building and improvements	2,755,374	1,058,017	428,327
Equipment	28,766	10,830	8,525
Construction in progress	258,947	1,216,181	461,460
Total property and equipment	3,432,280	2,636,454	1,249,738
Accumulated depreciation and amortization	(173,915)	(72,659)	(25,919)
Property and equipment, net	$ 3,258,365	$ 2,563,795	$ 1,223,819

Depreciation and amortization expense consisted of the following for the years ended June 30:

	2017	2016	2015
Depreciation and amortization expense	$ 101,256	$ 46,740	$ 18,336

NOTE 5 - NOTES PAYABLE

Notes payable consisted of the following as of the years ended June 30:

	2017	2016	2015
Master Construction to Permanent Loan to a nonprofit corporation with an orginal amount of $3,400,000, an interest rate of 5.875% during the construction period of twenty-four (24) months with interest only payments payable through February 1, 2018. The Permanent Loan matures on February 1, 2022. The note is secured by a Deed of Trust on the School's property.	$ 3,252,566	$ 2,608,333	$ -
Master Construction to Permanent Loan to a nonprofit corporation with an original amount of $475,000, an interest rate of 6.00% during the construction period of twelve (12) months with interest only payments payable through March 14, 2018. The Permanent Loan matures on March 14, 2024. The note is secured by a Deed of Trust on the School's property.	226,241	-	-
Note payable to a nonprofit corporation with an original amount of $1,535,000, an interest rate of 6.50%, and payable in monthly principal and interest payments of $11,445 through June 30, 2022. The note is secured by a deed of Trust on the School's property.	-	-	1,110,198
Total notes payable	3,478,807	2,608,333	1,110,198
Less unamortized deferred financing cost	(88,100)	(72,650)	(57,680)
Total notes payable	$ 3,390,707	$ 2,535,683	1,052,518

Maturities of the notes payable as of June 30, 2017 are summarized as follows:

Fiscal year ending June 30:	Maturities
2018	$ 23,061
2019	71,950
2020	76,293
2021	80,897
2022	85,780
Thereafter	3,052,726
Total notes payable	$ 3,390,707

Interest expense on the promissory notes consisted of the following for the years ended June 30:

	2017	2016	2015
Interest expense on notes payable	$ 163,867	$ 91,411	$ -

NOTE 6 – COMMITMENTS AND CONTINGENT LIABILITIES

Litigation – The School is contingently liable for claims, either asserted or unasserted, and judgments resulting from lawsuits incidental to the normal operation of a school. While the outcome of these claims cannot be predicted with certainty, management does not believe that the outcome of any of these matters will have a material adverse effect on the School's financial position, results of operations, or liquidity. Accordingly, no provision for possible losses is reflected in the financial statements.

Compliance – The School's compliance with certain laws and regulations is subject to review by its Sponsor. Although such reviews could result in a reduction of state equalization assistance, any required reductions are not expected to be significant.

Construction Contracts – Effective March 4, 2015, the School entered into a construction contract with Stevens Leinweber Construction, Inc. for the buildout of the School's existing facility at the Phoenix, Arizona campus. Construction costs totaling $461,460 incurred through June 30, 2015 have been capitalized as contruction in progress. During the year ended June 30, 2016, the project was completed in time to begin the 2015-2016 school year, and costs incurred totaling $478,625 were capitalized as building and improvements.

Effective January 12, 2016, the School entered into a construction contract again with Stevens Leinweber Construction, Inc. to complete construction of additional facilities at the School's Phoenix campus. Construction costs totaling $1,216,181 incurred through June 30, 2016 have been capitalized as construction in progress. The project was completed and put in use prior to the beginning of 2016-2017 school year.

Operating Leases – The School leased facilities under the provisions of a lease agreement classified as operating leases for accounting purposes. Rent expense under the lease agreements consisted of the following for the years ended June 30:

	2017	2016	2015
Rent expense	$ 4,033	$ -	$ 64,575

Future minimum lease payments under the leases as of June 30, 2017 are summarized as follows:

Fiscal year ending June 30:	
2018	$ 16,131
2019	16,131
2020	16,131
2021	16,131
2022	16,131
Thereafter	161,312
Total minimum lease payments	$ 241,967

NOTE 7 - CONCENTRATIONS OF RISK

Amounts held in financial institutions can occasionally be in excess of the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation limits. The School deposits its cash with high quality financial institutions, and management believes the School is not exposed to significant credit risk on those amounts.

A significant portion of the School's annual funding comes from agencies of the federal and state governments, including primarily the Arizona Department of Education. As such, the School's ability to generate resources via contributions and grants is dependent upon the economic health of the federal government and the state of Arizona. An economic downturn could cause a decrease in contributions and grants that coincides with an increase in demand for the School's services. In addition, if the state of Arizona and its agencies significantly reduced the level of support provided to the School it would have a material effect on the School's operations. The School's management is aware of the concentration and its potential impact on its programs, and would take appropriate action if any reduction did occur.

NOTE 8 – EMPLOYEE BENEFIT PLANS

Effective July 1, 2015, the School contributes amounts to a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) retirement plan. The School has elected to contribute to the employees' SIMPLE IRA equal to their salary reduction contributions up to a limit of 3.0% of their compensation for the year ended June 30, 2016. Contributions to the employees accounts consisted of the following for the years ended June 30:

	2017	2016	2015
Contributions to employees accounts	$ 24,827	$ 10,105	$ -

NOTE 9 - CHANGE IN ACCOUNTING PRINCIPLE

Effective July 1, 2016, the School retrospectively changed its method of accounting for deferred financing costs in its financial statements to conform with a recent pronouncement of the Financial Accounting Standards Board. The School was accounting for deferred financing costs as part of other assets. Under the new accounting principle, the deferred financing costs are recognized on the statement of financial position as a direct deduction from the carrying amount of the debt obligation. Comparative financial statements have been adjusted to apply the new accounting principle retrospectively. The following financial statement line items for fiscal years ended June 30, 2017, 2016, and 2015 were affected by the change in accounting principle: deferred financing costs, net; total assets; notes payable; and total liabilities decreased by $88,100, $72,650, and $57,680, respectively, for the years ended June 30, 2017, 2016, and 2015.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Directors
Vista College Preparatory, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Vista College Preparatory, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated October 27, 2017.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brett V. Backlund, CPA, PC

Brett V. Backlund, CPA, PC
Gilbert, Arizona
October 27, 2017

VISTA COLLEGE PREPARATORY, INC.
STATUS OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2017

We have reviewed the School's prior year schedule of findings and responses contained in the prior year audit report dated November 14, 2016. The School did not have any deficiencies in internal control over financial reporting or instances of noncompliance or other matters, therefore, no corrective action was necessary.

Vista College Preparatory, Inc.

BALANCE SHEET

As of March 31, 2018

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
0102 AZ Bank and Trust - Checking	176,165.80
0103 AZ Bank and Trust - Savings	1,393,086.27
0104 PayPal	679.10
0109 Raza Restricted Cash	
Cash For Draws	0.00
Debt Service Reserve	0.00
Total 0109 Raza Restricted Cash	**0.00**
Square	0.00
Total Bank Accounts	**$1,569,931.17**
Accounts Receivable	
1200 Accounts Receivable	151,112.50
Total Accounts Receivable	**$151,112.50**
Other Current Assets	
0120 Cox Credit	0.00
0130 Receivables	0.00
0138 Due from Government	
Due from Federal	0.00
Due from State	0.00
Total 0138 Due from Government	**0.00**
Total 0130 Receivables	**0.00**
0150 Prepaid Expenses	1,121.25
1499 Undeposited Funds	0.00
Total Other Current Assets	**$1,121.25**
Total Current Assets	**$1,722,164.92**
Fixed Assets	
0190 Capital Assets	
0191 Land & Land Improvements	271,791.71
0192 Site Improvements	568,903.23
0194 Building & Building Improvement	2,767,575.36
0196 Equipment	33,893.93
0197 Accumulated Depreciation	-173,914.95
0198 Construction in Progress	5,400.00
Total 0190 Capital Assets	**3,473,649.28**
Total Fixed Assets	**$3,473,649.28**
Other Assets	
0180 Security Deposit	0.00
Total Other Assets	**$0.00**
TOTAL ASSETS	**$5,195,814.20**
LIABILITIES AND EQUITY	

	TOTAL
Liabilities	
Current Liabilities	
Accounts Payable	
20000 *Accounts Payable	16,985.29
Total Accounts Payable	**$16,985.29**
Credit Cards	
0203 Credit Cards	
American Express	33,359.97
Total 0203 Credit Cards	**33,359.97**
Total Credit Cards	**$33,359.97**
Other Current Liabilities	
0201 Accounts Payable	28.00
0215 Unearned Revenue	141,822.37
0220 Accrued Payroll and Benefits	0.00
0260 Contracts Payable	
Due to CSDC	0.00
Total 0260 Contracts Payable	**0.00**
Deferred Rent	4,033.00
Payroll Liabilities	-791.18
Total Other Current Liabilities	**$145,092.19**
Total Current Liabilities	**$195,437.45**
Long-Term Liabilities	
0260 Contracts Payable	
Due to Related Party	0.00
Total 0260 Contracts Payable	**0.00**
Charter School Development Loan	0.00
Raza Loan	3,247,781.85
Raza Loan - MV	441,129.04
Raza Loan Accumulated Amortization	16,957.10
Raza Loans Deferred Financing Costs	-106,188.64
Total Long-Term Liabilities	**$3,599,679.35**
Total Liabilities	**$3,795,116.80**
Equity	
0300 Retained Earnings	1,079,331.46
Net Income	321,365.94
Total Equity	**$1,400,697.40**
TOTAL LIABILITIES AND EQUITY	**$5,195,814.20**

Vista College Preparatory, Inc.
Budget vs. Actuals: FY 2018 Budget - FY18 P&L
July 2017 - March 2018

	MarYTD		Variance	
	Actual	Budget	$	%
Income				
Total 1000 Local Sources	$ 844,330	$ 664,000	180,330	27%
Total 3000 State Sources	$ 1,793,782	$ 1,819,615	(25,833)	-1%
Total 4000 Federal Sources	$ 440,547	$ 442,354	(1,807)	0%
Total Income	**$ 3,078,658**	**$ 2,925,969**	**152,689**	**5%**
Expenses				
100 Regular Education				
Total 1000 Instruction	$ 940,678	$ 1,459,411	518,733	36%
Total 2100 Support Services - Student	$ 12,490	$ 18,819	6,329	34%
Total 2200 Support Services - Instruc	$ 101,401	$ 85,964	(15,437)	-18%
Total 2400 Support Services - School	$ 495,895	$ 33,625	(462,270)	-1375%
Total 2500 Support Services - Central	$ 437,249	$ 413,893	(23,356)	-6%
Total 2600 Support Services - Op/Main	$ 171,290	$ 156,440	(14,850)	-9%
Total 3000 Op of Non-instruction	$ 207,311	$ 176,540	(30,771)	-17%
Total 5000 Debt Service	$ 162,155	$ 156,348	(5,807)	-4%
Total 100 Regular Education	**$ 2,528,469**	**$ 2,501,040**	**(27,429)**	**-1%**
200 Special Education				
Total 1000 Instruction	$ 38,495	$ 2,700	(35,795)	-1326%
Total 2100 Support Services - Student	$ 83,802	$ 67,652	(16,150)	-24%
Total 200 Special Education	**$ 122,297**	**$ 70,352**	**(51,945)**	**-74%**
400 Pupil Transportation				
Total 400 Pupil Transportation	**$ 109,372**	**$ 99,150**	**(10,222)**	**-10%**
Total Expenses	**$ 2,760,138**	**$ 2,670,542**	**(89,596)**	**-3%**
Net Income	**$ 318,520**	**$ 255,427**	**63,093**	**25%**

Vista College Preparatory, Inc.
Budget Overview: FY 2018 Budget - FY18 P&L
July 2017 - June 2018

	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Total
Income													
Total 1000 Local Sources	$ 0.00	$ 2,000.00	$ 103,500.00	$ 185,750.00	$ 33,000.00	$ 178,000.00	$ 15,000.00	$ 10,500.00	$ 136,250.00	$ 3,000.00	$ 0.00	$ 0.00	**$ 667,000.00**
Total 3000 State Sources	$ 0.00	$ 202,575.00	$ 284,363.00	$ 219,627.00	$ 219,782.00	$ 219,782.00	$ 219,782.00	$ 233,922.00	$ 219,782.00	$ 219,782.00	$ 250,742.00	$ 427,752.00	**$ 2,717,891.00**
Total 4000 Federal Sources	$ 600.00	$ 250.00	$ 81,300.00	$ 48,700.00	$ 46,954.00	$ 142,150.00	$ 73,750.00	$ 24,150.00	$ 24,500.00	$ 20,937.00	$ 176,350.00	$ 16,795.00	**$ 656,436.00**
Total Income	**$ 600.00**	**$ 204,825.00**	**$ 469,163.00**	**$ 454,077.00**	**$ 299,736.00**	**$ 539,932.00**	**$ 308,532.00**	**$ 268,572.00**	**$ 380,532.00**	**$ 243,719.00**	**$ 427,092.00**	**$ 444,547.00**	**$ 4,041,327.00**
Expenses													
100 Regular Education													
Total 1000 Instruction	$ 177,817.00	$ 155,450.00	$ 159,890.00	$ 165,110.00	$ 163,260.00	$ 158,435.00	$ 158,635.00	$ 165,854.00	$ 154,960.00	$ 154,685.00	$ 176,284.00	$ 194,425.00	**$ 1,984,805.00**
Total 2100 Support Services - Student	$ 4,625.00	$ 14,019.00	$ 25.00	$ 25.00	$ 25.00	$ 25.00	$ 25.00	$ 25.00	$ 25.00	$ 425.00	$ 1,225.00	$ 725.00	**$ 21,194.00**
Total 2200 Support Services - Instruc	$ 44,964.00	$ 7,400.00	$ 3,450.00	$ 5,850.00	$ 4,000.00	$ 5,050.00	$ 3,850.00	$ 3,300.00	$ 8,100.00	$ 14,400.00	$ 22,100.00	$ 18,100.00	**$ 140,564.00**
Total 2400 Support Services - School	$ 13,565.00	$ 6,235.00	$ 1,830.00	$ 1,155.00	$ 1,480.00	$ 1,805.00	$ 3,205.00	$ 2,455.00	$ 1,895.00	$ 3,800.00	$ 4,150.00	$ 6,625.00	**$ 48,200.00**
Total 2500 Support Services - Central	$ 35,386.00	$ 52,505.00	$ 50,050.00	$ 46,180.00	$ 46,180.00	$ 45,854.00	$ 45,629.00	$ 46,104.00	$ 46,005.00	$ 52,305.00	$ 46,233.00	$ 61,594.00	**$ 574,025.00**
Total 2600 Support Services - Op/Main	$ 24,405.00	$ 44,990.00	$ 15,365.00	$ 11,040.00	$ 9,940.00	$ 9,890.00	$ 11,070.00	$ 11,646.00	$ 18,094.00	$ 14,967.00	$ 18,167.00	$ 20,692.00	**$ 210,266.00**
Total 3000 Op of Non-instruction	$ 0.00	$ 23,680.00	$ 21,180.00	$ 21,680.00	$ 21,680.00	$ 21,680.00	$ 22,180.00	$ 22,180.00	$ 22,280.00	$ 22,312.00	$ 22,930.00	$ 0.00	**$ 221,782.00**
Total 5000 Debt Service	$ 17,077.00	$ 17,608.00	$ 17,608.00	$ 17,077.00	$ 17,608.00	$ 17,077.00	$ 17,608.00	$ 17,608.00	$ 17,077.00	$ 17,049.00	$ 17,021.00	$ 16,990.00	**$ 207,408.00**
Total 100 Regular Education	**$ 317,839.00**	**$ 321,887.00**	**$ 269,398.00**	**$ 268,117.00**	**$ 264,173.00**	**$ 259,816.00**	**$ 262,202.00**	**$ 269,172.00**	**$ 268,436.00**	**$ 279,943.00**	**$ 308,110.00**	**$ 319,151.00**	**$ 3,408,244.00**
200 Special Education													
Total 1000 Instruction	$ 750.00	$ 1,250.00	$ 75.00	$ 175.00	$ 75.00	$ 75.00	$ 100.00	$ 200.00	$ 0.00	$ 0.00	$ 0.00	$ 0.00	**$ 2,700.00**
Total 2100 Support Services - Student	$ 0.00	$ 7,294.00	$ 8,544.00	$ 8,744.00	$ 8,194.00	$ 8,394.00	$ 8,794.00	$ 8,894.00	$ 8,794.00	$ 8,644.00	$ 8,144.00	$ 1,400.00	**$ 85,840.00**
Total 200 Special Education	**$ 750.00**	**$ 8,544.00**	**$ 8,619.00**	**$ 8,919.00**	**$ 8,269.00**	**$ 8,469.00**	**$ 8,894.00**	**$ 9,094.00**	**$ 8,794.00**	**$ 8,644.00**	**$ 8,144.00**	**$ 1,400.00**	**$ 88,540.00**
400 Pupil Transportation													
Total 400 Pupil Transportation	$ 7,500.00	$ 8,000.00	$ 11,950.00	$ 11,950.00	$ 11,950.00	$ 11,950.00	$ 11,950.00	$ 11,950.00	$ 11,950.00	$ 11,950.00	$ 11,950.00	$ 11,950.00	**$ 135,000.00**
Total Expenses	**$ 326,089.00**	**$ 338,431.00**	**$ 289,967.00**	**$ 288,986.00**	**$ 284,392.00**	**$ 280,235.00**	**$ 283,046.00**	**$ 290,216.00**	**$ 289,180.00**	**$ 300,537.00**	**$ 328,204.00**	**$ 332,501.00**	**$ 3,631,784.00**
Net Operating Income	**-$ 325,489.00**	**-$ 133,606.00**	**$ 179,196.00**	**$ 165,091.00**	**$ 15,344.00**	**$ 259,697.00**	**$ 25,486.00**	**-$ 21,644.00**	**$ 91,352.00**	**-$ 56,818.00**	**$ 98,888.00**	**$ 112,046.00**	**$ 409,543.00**
Net Income	**-$ 325,489.00**	**-$ 133,606.00**	**$ 179,196.00**	**$ 165,091.00**	**$ 15,344.00**	**$ 259,697.00**	**$ 25,486.00**	**-$ 21,644.00**	**$ 91,352.00**	**-$ 56,818.00**	**$ 98,888.00**	**$ 112,046.00**	**$ 409,543.00**

Vista College Preparatory, Inc.
Historical Revenue & Expenditure

Fiscal Year Ending June 30th	FY 2015	FY 2016	FY 2017
Unrestricted Net Assets			
Unrestricted Revenues & Gains			
Total 1000 Local Sources	$ 201,720	$ 314,192	$ 1,179,522
Total 3000 State Sources	$ 704,627	$ 1,150,050	$ 1,567,172
Total 4000 Federal Sources	$ 404,922	$ 490,876	$ 556,557
Total Unrestricted Revenues & Gains	$ 1,311,270	$ 1,955,118	$ 3,303,251
Net Assets Released from Restrictions:			
Satisfaction of program restrictions	$ 4,194	$ 33,650	$ 34,180
Total Income	**$ 1,315,464**	**$ 1,988,768**	**$ 3,337,431**
Expenses			
100 Regular Education			
Total 1000 Instruction	$ 385,530	$ 644,476	$ 931,637
Total 2100 Support Services - Student	$ 10,628	$ 27,637	$ 13,464
Total 2200 Support Services - Instruc	$ 180,016	$ 249,567	$ 105,213
Total 2400 Support Services - School	$ 184,167	$ 275,291	$ 292,509
Total 2500 Support Services - Central	$ 44,862	$ 84,497	$ 425,878
Total 2600 Support Services - Op/Main	$ 141,593	$ 126,474	$ 164,326
Total 3000 Op of Non-instruction	$ 82,224	$ 136,933	$ 185,759
Total 5000 Debt Service [1]	$ 0	$ 91,411	$ 163,867
Total 100 Regular Education	**$ 1,029,019**	**$ 1,636,286**	**$ 2,282,652**
200 Special Education			
Total 1000 Instruction	$ 14,557	$ 17,979	$ 55,994
Total 2100 Support Services - Student	$ 9,967	$ 23,519	$ 55,660
Total 200 Special Education	**$ 24,523**	**$ 41,498**	**$ 111,654**
Total 400 Pupil Transportation	**$ 90,576**	**$ 172,357**	**$ 85,505**
Depreciation & Amortization	**$ 18,336**	**$ 101,189**	**$ 113,615**
Other Expenses			**$ 7,515**
Total Expenses	**$ 1,162,454**	**$ 1,951,330**	**$ 2,600,941**
Change In Unrestricted Net Assets	**$ 153,010**	**$ 37,437**	**$ 736,489**
Temporarily Restricted Net Assets			
Contributions:			
Extracurricular activities fees tax credit	$ 17,825	$ 28,800	$ 34,180
Net assets released from restrictions:			
Extracurricular activities fees tax credit	-$ 4,194	-$ 33,650	-$ 34,180
Changes in Temporarily Restricted Net Assets	**$ 13,631**	**-$ 4,850**	**$ 0**
Change In Net Assets	**$ 166,641**	**$ 32,587**	**$ 736,489**
Cash at beginning of period	68,965	228,196	458,882
Net cash increase for period	159,231	230,685	1,097,992
Cash at end of period	**228,196**	**458,882**	**1,556,874**
Days Cash on Hand	**72.8**	**90.5**	**228.5**
Debt Service Coverage Ratio	**N/A**	**1.46**	**5.19**

[1] Debt service amounts reflects interest and principal payments on the current debt for Hadley and Maryvale campus

Vista College Preparatory, Inc.

Finanical Projections (FY18-FY23)

Fiscal Year Ending June 30th	Actuals + Fcst FY18	Financial Projections FY19	FY20	FY21
Total Student Projections	**375**	**532**	**762**	**944**
Hadley Student Capacity %	78%	85%	92%	100%
Maryvale Capacity %	13%	29%	58%	75%
Middle School Capacity %	0%	9%	19%	34%
Unrestricted Net Assets				
Unrestricted Revenues & Gains				
Total 1000 Local Sources	$ 481,898	$ 507,540	$ 759,960	$ 761,480
Total 3000 State Sources	$ 2,658,789	$ 3,631,853	$ 4,805,542	$ 6,144,036
Total 4000 Federal Sources	$ 944,628	$ 1,065,280	$ 1,072,944	$ 1,264,840
Other Revenue (Network Office Fee)		$ 356,691	$ 495,334	$ 642,283
Total Unrestricted Revenues & Gains				
Net Assets Released from Restrictions:	$ 31,550	$ 35,000	$ 35,000	$ 35,000
Satisfaction of program restrictions				
Total Income	**$ 4,116,865**	**$ 5,596,365**	**$ 7,168,780**	**$ 8,847,639**
Expenses				
100 Regular Education				
Total 1000 Instruction	$ 1,977,357	$ 3,023,888	$ 4,082,183	$ 4,621,290
Total 2100 Support Services - Student	$ 17,111	$ 20,150	$ 29,650	$ 37,150
Total 2200 Support Services - Instruc	$ 140,715	$ 92,600	$ 109,850	$ 97,100
Total 2400 Support Services - School	$ 51,991	$ 45,600	$ 51,100	$ 50,100
Total 2500 Support Services - Central	$ 569,534	$ 732,666	$ 742,266	$ 743,766
Total 2600 Support Services - Op/Main	$ 222,192	$ 295,600	$ 461,700	$ 522,500
Total 3000 Op of Non-instruction	$ 259,198	$ 277,524	$ 425,774	$ 533,700
Total 5000 Debt Service [1]	$ 233,784	$ 159,124	$ 191,875	$ 464,735
Total 100 Regular Education	**$ 3,471,881**	**$ 4,647,152**	**$ 6,094,398**	**$ 7,070,341**
200 Special Education				
Total 1000 Instruction				
Total 2100 Support Services - Student	$ 108,875	$ 116,260	$ 170,020	$ 204,680
Total 200 Special Education	**$ 108,875**	**$ 116,260**	**$ 170,020**	**$ 204,680**
Total 400 Pupil Transportation	**$ 138,429**	**$ 145,000**	**$ 190,000**	**$ 190,000**
Depreciation & Amortization	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Other Expenses (Network Office Fee)	**$ 0**	**$ 356,691**	**$ 495,334**	**$ 642,283**
Total Expenses	**$ 3,719,186**	**$ 5,265,103**	**$ 6,949,752**	**$ 8,107,304**
Change In Unrestricted Net Assets	**$ 397,679**	**$ 331,262**	**$ 219,028**	**$ 740,335**
Temporarily Restricted Net Assets				
Contributions:				
Extracurricular activities fees tax credit	$ 31,550	$ 35,000	$ 35,000	$ 35,000
Net assets released from restrictions:				
Extracurricular activities fees tax credit	-$ 31,550	-$ 35,000	-$ 35,000	-$ 35,000
Changes in Temporarily Restricted Net Assets	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Change In Net Assets	**$ 397,679**	**$ 331,262**	**$ 219,028**	**$ 740,335**
Cash at beginning of period	$ 1,549,292	$ 1,952,328	$ 2,283,589	$ 2,502,617
Net cash increase for period	$ 426,561	$ 331,262	$ 219,028	$ 950,580
Cash at end of period	**$ 1,975,853**	**$ 2,283,589**	**$ 2,502,617**	**$ 3,453,197**
Days Cash on Hand	193.91	158.31	131.44	155.47
Debt Service Coverage Ratio w/ Credit Enhancement	1.70	2.08	1.14	1.59
Debt Service Coverage Ratio w/ out Credit Enhancement	1.70	0.38	0.16	2.40

[1] Debt service projections based on interest and principal estimates for Bond financing beginning FY2019

Debt Service Details

	FY19	FY20	FY21
Total Debt Service w/ Credit Enhancement	$ 176,828	$ 193,388	$ 466,358
Total Debt Service w/ out Credit Enhancement	$ 354,232	$ 354,232	$ 354,232
Change in Net Assets w/ Credit Enhancement	$ 313,557	$ 217,515	$ 738,713
Change in Net Assets w/out Credit Enhancement	$ 136,154	$ 56,671	$ 850,838
Debt Service Coverage Ratio	**1.77**	**1.12**	**1.58**

Vista College Preparatory, Inc.
Historical Revenue & Expenditure

Fiscal Year Ending June 30th	FY 2015	FY 2016	FY 2017
Unrestricted Net Assets			
Unrestricted Revenues & Gains			
Total 1000 Local Sources	$ 201,720	$ 314,192	$ 1,179,522
Total 3000 State Sources	$ 704,627	$ 1,150,050	$ 1,567,172
Total 4000 Federal Sources	$ 404,922	$ 490,876	$ 556,557
Total Unrestricted Revenues & Gains	$ 1,311,270	$ 1,955,118	$ 3,303,251
Net Assets Released from Restrictions:			
Satisfaction of program restrictions	$ 4,194	$ 33,650	$ 34,180
Total Income	**$ 1,315,464**	**$ 1,988,768**	**$ 3,337,431**
Expenses			
100 Regular Education			
Total 1000 Instruction	$ 385,530	$ 644,476	$ 931,637
Total 2100 Support Services - Student	$ 10,628	$ 27,637	$ 13,464
Total 2200 Support Services - Instruc	$ 180,016	$ 249,567	$ 105,213
Total 2400 Support Services - School	$ 184,167	$ 275,291	$ 292,509
Total 2500 Support Services - Central	$ 44,862	$ 84,497	$ 425,878
Total 2600 Support Services - Op/Main	$ 141,593	$ 126,474	$ 164,326
Total 3000 Op of Non-instruction	$ 82,224	$ 136,933	$ 185,759
Total 5000 Debt Service [1]	$ 0	$ 91,411	$ 163,867
Total 100 Regular Education	**$ 1,029,019**	**$ 1,636,286**	**$ 2,282,652**
200 Special Education			
Total 1000 Instruction	$ 14,557	$ 17,979	$ 55,994
Total 2100 Support Services - Student	$ 9,967	$ 23,519	$ 55,660
Total 200 Special Education	**$ 24,523**	**$ 41,498**	**$ 111,654**
Total 400 Pupil Transportation	**$ 90,576**	**$ 172,357**	**$ 85,505**
Depreciation & Amortization	**$ 18,336**	**$ 101,189**	**$ 113,615**
Other Expenses			**$ 7,515**
Total Expenses	**$ 1,162,454**	**$ 1,951,330**	**$ 2,600,941**
Change In Unrestricted Net Assets	**$ 153,010**	**$ 37,437**	**$ 736,489**
Temporarily Restricted Net Assets			
Contributions:			
Extracurricular activities fees tax credit	$ 17,825	$ 28,800	$ 34,180
Net assets released from restrictions:			
Extracurricular activities fees tax credit	-$ 4,194	-$ 33,650	-$ 34,180
Changes in Temporarily Restricted Net Assets	**$ 13,631**	**-$ 4,850**	**$ 0**
Change In Net Assets	**$ 166,641**	**$ 32,587**	**$ 736,489**
Cash at beginning of period	68,965	228,196	458,882
Net cash increase for period	159,231	230,685	1,097,992
Cash at end of period	**228,196**	**458,882**	**1,556,874**
Days Cash on Hand	**72.8**	**90.5**	**228.5**
Debt Service Coverage Ratio	**N/A**	**1.46**	**5.19**

[1] Debt service amounts reflects interest and principal payments on the current debt for Hadley and Maryvale campus

Vista College Preparatory, Inc.

Finanical Projections (FY18-FY21)

Fiscal Year Ending June 30th	Actuals + Fcst FY18	Financial Projections FY19	FY20	FY21
Total Student Projections	**375**	**532**	**762**	**944**
Hadley Student Capacity %	78%	85%	92%	100%
Maryvale Capacity %	13%	29%	58%	75%
Middle School Capacity %	0%	9%	19%	34%
Unrestricted Net Assets				
Unrestricted Revenues & Gains				
Total 1000 Local Sources	$ 481,898	$ 507,540	$ 759,960	$ 761,480
Total 3000 State Sources	$ 2,658,789	$ 3,631,853	$ 4,805,542	$ 6,144,036
Total 4000 Federal Sources	$ 944,628	$ 1,065,280	$ 1,072,944	$ 1,264,840
Other Revenue (Network Office Fee)		$ 356,691	$ 495,334	$ 642,283
Total Unrestricted Revenues & Gains				
Net Assets Released from Restrictions:	$ 31,550	$ 35,000	$ 35,000	$ 35,000
Satisfaction of program restrictions				
Total Income	**$ 4,116,865**	**$ 5,596,365**	**$ 7,168,780**	**$ 8,847,639**
Expenses				
100 Regular Education				
Total 1000 Instruction	$ 1,977,357	$ 3,023,888	$ 4,082,183	$ 4,621,290
Total 2100 Support Services - Student	$ 17,111	$ 20,150	$ 29,650	$ 37,150
Total 2200 Support Services - Instruc	$ 140,715	$ 92,600	$ 109,850	$ 97,100
Total 2400 Support Services - School	$ 51,991	$ 45,600	$ 51,100	$ 50,100
Total 2500 Support Services - Central	$ 569,534	$ 732,666	$ 742,266	$ 743,766
Total 2600 Support Services - Op/Main	$ 222,192	$ 295,600	$ 461,700	$ 522,500
Total 3000 Op of Non-instruction	$ 259,198	$ 277,524	$ 425,774	$ 533,700
Total 5000 Debt Service [1]	$ 233,784	$ 176,828	$ 193,388	$ 466,358
Total 100 Regular Education	**$ 3,471,881**	**$ 4,664,856**	**$ 6,095,911**	**$ 7,071,964**
200 Special Education				
Total 1000 Instruction				
Total 2100 Support Services - Student	$ 108,875	$ 116,260	$ 170,020	$ 204,680
Total 200 Special Education	**$ 108,875**	**$ 116,260**	**$ 170,020**	**$ 204,680**
Total 400 Pupil Transportation	**$ 138,429**	**$ 145,000**	**$ 190,000**	**$ 190,000**
Depreciation & Amortization	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Other Expenses (Network Office Fee)	**$ 0**	**$ 356,691**	**$ 495,334**	**$ 642,283**
Total Expenses	**$ 3,719,186**	**$ 5,282,807**	**$ 6,951,265**	**$ 8,108,927**
Change In Unrestricted Net Assets	**$ 397,679**	**$ 313,557**	**$ 217,515**	**$ 738,713**
Temporarily Restricted Net Assets				
Contributions:				
Extracurricular activities fees tax credit	$ 31,550	$ 35,000	$ 35,000	$ 35,000
Net assets released from restrictions:				
Extracurricular activities fees tax credit	-$ 31,550	-$ 35,000	-$ 35,000	-$ 35,000
Changes in Temporarily Restricted Net Assets	**$ 0**	**$ 0**	**$ 0**	**$ 0**
Change In Net Assets	**$ 397,679**	**$ 313,557**	**$ 217,515**	**$ 738,713**
Cash at beginning of period	$ 1,549,292	$ 1,952,328	$ 2,265,885	$ 2,483,400
Net cash increase for period	$ 426,561	$ 313,557	$ 217,515	$ 948,958
Cash at end of period	**$ 1,975,853**	**$ 2,265,885**	**$ 2,483,400**	**$ 3,432,358**
Days Cash on Hand	193.91	156.55	130.40	154.50
Debt Service Coverage Ratio w/ Credit Enhancement	1.70	1.77	1.12	1.58
Debt Service Coverage Ratio w/ out Credit Enhancement	1.70	0.38	0.16	2.40

[1] Debt service projections based on interest and principal estimates for Bond financing beginning FY2019

Debt Service Details

	FY19	FY20	FY21
Total Debt Service w/ Credit Enhancement	$ 176,828	$ 193,388	$ 466,358
Total Debt Service w/ out Credit Enhancement	$ 354,232	$ 354,232	$ 354,232
Change in Net Assets w/ Credit Enhancement	$ 313,557	$ 217,515	$ 738,713
Change in Net Assets w/out Credit Enhancement	$ 136,154	$ 56,671	$ 850,838
Debt Service Coverage Ratio	**1.77**	**1.12**	**1.58**

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(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

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SOURCES AND USES OF FUNDS

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Dated Date	07/11/2018
Delivery Date	07/11/2018

Sources:	
Bond Proceeds:	
Par Amount	9,475,000.00
Premium	922,268.60
	10,397,268.60
Uses:	
Project Fund Deposits:	
Loan Payoff	3,800,000.00
New Money Project	5,000,000.00
	8,800,000.00
Other Fund Deposits:	
Capitalized Interest Fund **	526,515.83
Debt Service Reserve Fund *	601,500.00
	1,128,015.83
Delivery Date Expenses:	
Cost of Issuance	309,537.18
Underwriter's Discount	155,959.03
	465,496.21
Other Uses of Funds:	
Additional Proceeds	3,756.56
	10,397,268.60

Notes:
* Assumes 2% annual earnings on DSRF.
** CAPI reflects 60% of interest through 7/1/2019; and $285,000 through 7/1/2020.

BOND PRICING

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****

Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Bond Component	Maturity Date	Amount	Rate	Yield	Price		Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds:										
	07/01/2022	125,000	4.000%	2.790%	104.519					5,648.75
	07/01/2023	130,000	4.000%	2.890%	105.105					6,636.50
	07/01/2024	135,000	4.000%	3.050%	105.150					6,952.50
	07/01/2025	140,000	4.000%	3.190%	105.027					7,037.80
	07/01/2026	150,000	4.000%	3.290%	104.942					7,413.00
	07/01/2027	155,000	4.000%	3.380%	104.763					7,382.65
	07/01/2028	160,000	4.000%	3.460%	104.520					7,232.00
	07/01/2029	165,000	4.000%	3.560%	103.665	C	3.593%	07/01/2028	100.000	6,047.25
	07/01/2030	175,000	4.000%	3.650%	102.902	C	3.698%	07/01/2028	100.000	5,078.50
	07/01/2031	180,000	4.000%	3.680%	102.650	C	3.740%	07/01/2028	100.000	4,770.00
	07/01/2032	190,000	4.000%	3.710%	102.397	C	3.778%	07/01/2028	100.000	4,554.30
	07/01/2033	200,000	4.000%	3.760%	101.979	C	3.825%	07/01/2028	100.000	3,958.00
		1,905,000								72,711.25
Term Bond 2038:										
	07/01/2034	205,000	5.000%	3.500%	112.534	C	4.077%	07/01/2028	100.000	25,694.70
	07/01/2035	215,000	5.000%	3.500%	112.534	C	4.077%	07/01/2028	100.000	26,948.10
	07/01/2036	230,000	5.000%	3.500%	112.534	C	4.077%	07/01/2028	100.000	28,828.20
	07/01/2037	240,000	5.000%	3.500%	112.534	C	4.077%	07/01/2028	100.000	30,081.60
	07/01/2038	255,000	5.000%	3.500%	112.534	C	4.077%	07/01/2028	100.000	31,961.70
		1,145,000								143,514.30
Term Bond 2048:										
	07/01/2039	265,000	5.000%	3.650%	111.198	C	4.329%	07/01/2028	100.000	29,674.70
	07/01/2040	280,000	5.000%	3.650%	111.198	C	4.329%	07/01/2028	100.000	31,354.40
	07/01/2041	295,000	5.000%	3.650%	111.198	C	4.329%	07/01/2028	100.000	33,034.10
	07/01/2042	310,000	5.000%	3.650%	111.198	C	4.329%	07/01/2028	100.000	34,713.80
	07/01/2043	325,000	5.000%	3.650%	111.198	C	4.329%	07/01/2028	100.000	36,393.50
	07/01/2044	345,000	5.000%	3.650%	111.198	C	4.329%	07/01/2028	100.000	38,633.10
	07/01/2045	360,000	5.000%	3.650%	111.198	C	4.329%	07/01/2028	100.000	40,312.80
	07/01/2046	380,000	5.000%	3.650%	111.198	C	4.329%	07/01/2028	100.000	42,552.40
	07/01/2047	400,000	5.000%	3.650%	111.198	C	4.329%	07/01/2028	100.000	44,792.00
	07/01/2048	420,000	5.000%	3.650%	111.198	C	4.329%	07/01/2028	100.000	47,031.60
		3,380,000								378,492.40
Term Bond 2054:										
	07/01/2049	445,000	5.000%	3.700%	110.757	C	4.401%	07/01/2028	100.000	47,868.65
	07/01/2050	465,000	5.000%	3.700%	110.757	C	4.401%	07/01/2028	100.000	50,020.05
	07/01/2051	490,000	5.000%	3.700%	110.757	C	4.401%	07/01/2028	100.000	52,709.30
	07/01/2052	515,000	5.000%	3.700%	110.757	C	4.401%	07/01/2028	100.000	55,398.55
	07/01/2053	545,000	5.000%	3.700%	110.757	C	4.401%	07/01/2028	100.000	58,625.65
	07/01/2054	585,000	5.000%	3.700%	110.757	C	4.401%	07/01/2028	100.000	62,928.45
		3,045,000								327,550.65
		9,475,000								922,268.60

Dated Date	07/11/2018	
Delivery Date	07/11/2018	
First Coupon	01/01/2019	
Par Amount	9,475,000.00	
Premium	922,268.60	
Production	10,397,268.60	109.733706%
Underwriter's Discount	-155,959.03	-1.646006%
Purchase Price	10,241,309.57	108.087700%
Accrued Interest		
Net Proceeds	10,241,309.57	

BOND SUMMARY STATISTICS

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Dated Date	07/11/2018
Delivery Date	07/11/2018
Last Maturity	07/01/2054
Arbitrage Yield	3.827669%
True Interest Cost (TIC)	4.214789%
Net Interest Cost (NIC)	4.583532%
All-In TIC	4.761862%
Average Coupon	4.917266%
Average Life (years)	24.234
Duration of Issue (years)	14.471
Par Amount	9,475,000.00
Bond Proceeds	10,397,268.60
Total Interest	11,290,869.44
Net Interest	10,524,559.87
Total Debt Service	20,765,869.44
Maximum Annual Debt Service	614,250.00
Average Annual Debt Service	577,275.14
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	16.460056
Total Underwriter's Discount	16.460056
Bid Price	108.087700

Bond Component	Par Value	Price	Average Coupon	Average Life	Duration	PV of 1 bp change
Serial Bonds	1,905,000.00	103.817	4.000%	9.972	8.232	1,407.05
Term Bond 2038	1,145,000.00	112.534	5.000%	18.081	12.472	1,030.50
Term Bond 2048	3,380,000.00	111.198	5.000%	25.891	15.340	2,974.40
Term Bond 2054	3,045,000.00	110.757	5.000%	33.631	17.409	2,679.60
	9,475,000.00			24.234		8,091.55

	TIC	All-In TIC	Arbitrage Yield
Par Value	9,475,000.00	9,475,000.00	9,475,000.00
+ Accrued Interest			
+ Premium (Discount)	922,268.60	922,268.60	922,268.60
- Underwriter's Discount		-155,959.03	
- Cost of Issuance Expense		-309,537.18	
- Other Amounts			
Target Value	10,397,268.60	9,931,772.39	10,397,268.60
Target Date	07/11/2018	07/11/2018	07/11/2018
Yield	4.214789%	4.761862%	3.827669%

BOND DEBT SERVICE

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Period Ending	Principal	Coupon	Interest	Debt Service
07/01/2019			442,069.44	442,069.44
07/01/2020			454,700.00	454,700.00
07/01/2021			454,700.00	454,700.00
07/01/2022	125,000	4.000%	454,700.00	579,700.00
07/01/2023	130,000	4.000%	449,700.00	579,700.00
07/01/2024	135,000	4.000%	444,500.00	579,500.00
07/01/2025	140,000	4.000%	439,100.00	579,100.00
07/01/2026	150,000	4.000%	433,500.00	583,500.00
07/01/2027	155,000	4.000%	427,500.00	582,500.00
07/01/2028	160,000	4.000%	421,300.00	581,300.00
07/01/2029	165,000	4.000%	414,900.00	579,900.00
07/01/2030	175,000	4.000%	408,300.00	583,300.00
07/01/2031	180,000	4.000%	401,300.00	581,300.00
07/01/2032	190,000	4.000%	394,100.00	584,100.00
07/01/2033	200,000	4.000%	386,500.00	586,500.00
07/01/2034	205,000	5.000%	378,500.00	583,500.00
07/01/2035	215,000	5.000%	368,250.00	583,250.00
07/01/2036	230,000	5.000%	357,500.00	587,500.00
07/01/2037	240,000	5.000%	346,000.00	586,000.00
07/01/2038	255,000	5.000%	334,000.00	589,000.00
07/01/2039	265,000	5.000%	321,250.00	586,250.00
07/01/2040	280,000	5.000%	308,000.00	588,000.00
07/01/2041	295,000	5.000%	294,000.00	589,000.00
07/01/2042	310,000	5.000%	279,250.00	589,250.00
07/01/2043	325,000	5.000%	263,750.00	588,750.00
07/01/2044	345,000	5.000%	247,500.00	592,500.00
07/01/2045	360,000	5.000%	230,250.00	590,250.00
07/01/2046	380,000	5.000%	212,250.00	592,250.00
07/01/2047	400,000	5.000%	193,250.00	593,250.00
07/01/2048	420,000	5.000%	173,250.00	593,250.00
07/01/2049	445,000	5.000%	152,250.00	597,250.00
07/01/2050	465,000	5.000%	130,000.00	595,000.00
07/01/2051	490,000	5.000%	106,750.00	596,750.00
07/01/2052	515,000	5.000%	82,250.00	597,250.00
07/01/2053	545,000	5.000%	56,500.00	601,500.00
07/01/2054	585,000	5.000%	29,250.00	614,250.00
	9,475,000		11,290,869.44	20,765,869.44

NET DEBT SERVICE

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Period Ending	Principal	Interest	Total Debt Service	Enhancement Fee (25bps)	Debt Service Reserve Fund *	Capitalized Interest Fund **	Net Debt Service
07/01/2019		442,069.44	442,069.44			265,241.66	176,827.78
07/01/2020		454,700.00	454,700.00	23,687.50		285,000.00	193,387.50
07/01/2021		454,700.00	454,700.00	23,687.50	12,030		466,357.50
07/01/2022	125,000	454,700.00	579,700.00	23,531.25	12,030		591,201.25
07/01/2023	130,000	449,700.00	579,700.00	23,212.50	12,030		590,882.50
07/01/2024	135,000	444,500.00	579,500.00	22,881.25	12,030		590,351.25
07/01/2025	140,000	439,100.00	579,100.00	22,537.50	12,030		589,607.50
07/01/2026	150,000	433,500.00	583,500.00	22,175.00	12,030		593,645.00
07/01/2027	155,000	427,500.00	582,500.00	21,793.75	12,030		592,263.75
07/01/2028	160,000	421,300.00	581,300.00	21,400.00	12,030		590,670.00
07/01/2029	165,000	414,900.00	579,900.00	20,993.75	12,030		588,863.75
07/01/2030	175,000	408,300.00	583,300.00	20,568.75	12,030		591,838.75
07/01/2031	180,000	401,300.00	581,300.00	20,125.00	12,030		589,395.00
07/01/2032	190,000	394,100.00	584,100.00	19,662.50	12,030		591,732.50
07/01/2033	200,000	386,500.00	586,500.00	19,175.00	12,030		593,645.00
07/01/2034	205,000	378,500.00	583,500.00	18,668.75	12,030		590,138.75
07/01/2035	215,000	368,250.00	583,250.00	18,143.75	12,030		589,363.75
07/01/2036	230,000	357,500.00	587,500.00	17,587.50	12,030		593,057.50
07/01/2037	240,000	346,000.00	586,000.00	17,000.00	12,030		590,970.00
07/01/2038	255,000	334,000.00	589,000.00	16,381.25	12,030		593,351.25
07/01/2039	265,000	321,250.00	586,250.00	15,731.25	12,030		589,951.25
07/01/2040	280,000	308,000.00	588,000.00	15,050.00	12,030		591,020.00
07/01/2041	295,000	294,000.00	589,000.00	14,331.25	12,030		591,301.25
07/01/2042	310,000	279,250.00	589,250.00	13,575.00	12,030		590,795.00
07/01/2043	325,000	263,750.00	588,750.00	12,781.25	12,030		589,501.25
07/01/2044	345,000	247,500.00	592,500.00	11,943.75	12,030		592,413.75
07/01/2045	360,000	230,250.00	590,250.00	11,062.50	12,030		589,282.50
07/01/2046	380,000	212,250.00	592,250.00	10,137.50	12,030		590,357.50
07/01/2047	400,000	193,250.00	593,250.00	9,162.50	12,030		590,382.50
07/01/2048	420,000	173,250.00	593,250.00	8,137.50	12,030		589,357.50
07/01/2049	445,000	152,250.00	597,250.00	7,056.25	12,030		592,276.25
07/01/2050	465,000	130,000.00	595,000.00	5,918.75	12,030		588,888.75
07/01/2051	490,000	106,750.00	596,750.00	4,725.00	12,030		589,445.00
07/01/2052	515,000	82,250.00	597,250.00	3,468.75	12,030		588,688.75
07/01/2053	545,000	56,500.00	601,500.00	2,143.75	12,030		591,613.75
07/01/2054	585,000	29,250.00	614,250.00	731.25	613,530		1,451.25
	9,475,000	11,290,869.44	20,765,869.44	539,168.75	1,010,520	550,241.66	19,744,276.53

COST OF ISSUANCE

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Cost of Issuance	$/1000	Amount
Bond Counsel/Disclosure Counsel	7.91557	75,000.00
Borrower's Counsel	5.27704	50,000.00
Underwriter's Counsel	2.63852	25,000.00
Issuer Counsel	2.11082	20,000.00
Issuer (Upfront Fee at .4153%)	4.15300	39,349.68
Credit Enhancement Board Counsel	1.84697	17,500.00
Credit Enhancement Fee (First Year Fee)	2.50000	23,687.50
Rating (Enhanced) Fee	3.69393	35,000.00
Trustee	0.42216	4,000.00
Printing and Investor Roadshow	0.52770	5,000.00
Miscellaneous	1.58311	15,000.00
	32.66883	309,537.18

PROOF OF ARBITRAGE YIELD

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Date	Debt Service	Expenses	Total	Present Value to 07/11/2018 @ 3.8276691029%
01/01/2019	214,719.44		214,719.44	210,909.25
07/01/2019	227,350.00		227,350.00	219,122.04
01/01/2020	227,350.00	11,843.75	239,193.75	226,207.92
07/01/2020	227,350.00	11,843.75	239,193.75	221,959.97
01/01/2021	227,350.00	11,843.75	239,193.75	217,791.79
07/01/2021	227,350.00	11,843.75	239,193.75	213,701.89
01/01/2022	227,350.00	11,843.75	239,193.75	209,688.80
07/01/2022	352,350.00	11,687.50	364,037.50	313,139.88
01/01/2023	224,850.00	11,687.50	236,537.50	199,645.31
07/01/2023	354,850.00	11,525.00	366,375.00	303,425.31
01/01/2024	222,250.00	11,525.00	233,775.00	189,972.57
07/01/2024	357,250.00	11,356.25	368,606.25	293,915.43
01/01/2025	219,550.00	11,356.25	230,906.25	180,660.09
07/01/2025	359,550.00	11,181.25	370,731.25	284,611.60
01/01/2026	216,750.00	11,181.25	227,931.25	171,697.56
07/01/2026	366,750.00	10,993.75	377,743.75	279,205.78
01/01/2027	213,750.00	10,993.75	224,743.75	162,997.75
07/01/2027	368,750.00	10,800.00	379,550.00	270,103.26
01/01/2028	210,650.00	10,800.00	221,450.00	154,633.43
07/01/2028	8,650,650.00	10,600.00	8,661,250.00	5,934,376.86
01/01/2029	4,000.00	250.00	4,250.00	2,857.26
07/01/2029	4,000.00	250.00	4,250.00	2,803.61
01/01/2030	4,000.00	250.00	4,250.00	2,750.96
07/01/2030	4,000.00	250.00	4,250.00	2,699.30
01/01/2031	4,000.00	250.00	4,250.00	2,648.61
07/01/2031	4,000.00	250.00	4,250.00	2,598.87
01/01/2032	4,000.00	250.00	4,250.00	2,550.07
07/01/2032	4,000.00	250.00	4,250.00	2,502.18
01/01/2033	4,000.00	250.00	4,250.00	2,455.19
07/01/2033	204,000.00		204,000.00	115,636.06
	13,936,769.44	207,156.25	14,143,925.69	10,397,268.60

Proceeds Summary

Delivery date	07/11/2018
Par Value	9,475,000.00
Premium (Discount)	922,268.60
Target for yield calculation	10,397,268.60

PROOF OF ARBITRAGE YIELD

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
SERIAL	07/01/2029	4.000%	3.560%	07/01/2028	100.000	3.7869650%
SERIAL	07/01/2030	4.000%	3.650%	07/01/2028	100.000	3.8972542%
SERIAL	07/01/2031	4.000%	3.680%	07/01/2028	100.000	3.9460521%
SERIAL	07/01/2032	4.000%	3.710%	07/01/2028	100.000	3.9942631%
TERM1	07/01/2034	5.000%	3.500%	07/01/2028	100.000	3.8020926%
TERM1	07/01/2035	5.000%	3.500%	07/01/2028	100.000	3.8172866%
TERM1	07/01/2036	5.000%	3.500%	07/01/2028	100.000	3.8318663%
TERM1	07/01/2037	5.000%	3.500%	07/01/2028	100.000	3.8458526%
TERM1	07/01/2038	5.000%	3.500%	07/01/2028	100.000	3.8592662%
TERM2	07/01/2039	5.000%	3.650%	07/01/2028	100.000	4.0221811%
TERM2	07/01/2040	5.000%	3.650%	07/01/2028	100.000	4.0343057%
TERM2	07/01/2041	5.000%	3.650%	07/01/2028	100.000	4.0459102%
TERM2	07/01/2042	5.000%	3.650%	07/01/2028	100.000	4.0570151%
TERM2	07/01/2043	5.000%	3.650%	07/01/2028	100.000	4.0676402%
TERM2	07/01/2044	5.000%	3.650%	07/01/2028	100.000	4.0778051%
TERM2	07/01/2045	5.000%	3.650%	07/01/2028	100.000	4.0875284%
TERM2	07/01/2046	5.000%	3.650%	07/01/2028	100.000	4.0968285%
TERM2	07/01/2047	5.000%	3.650%	07/01/2028	100.000	4.1057230%
TERM2	07/01/2048	5.000%	3.650%	07/01/2028	100.000	4.1142288%
TERM3	07/01/2049	5.000%	3.700%	07/01/2028	100.000	4.1716275%
TERM3	07/01/2050	5.000%	3.700%	07/01/2028	100.000	4.1793266%
TERM3	07/01/2051	5.000%	3.700%	07/01/2028	100.000	4.1866849%
TERM3	07/01/2052	5.000%	3.700%	07/01/2028	100.000	4.1937171%
TERM3	07/01/2053	5.000%	3.700%	07/01/2028	100.000	4.2004375%
TERM3	07/01/2054	5.000%	3.700%	07/01/2028	100.000	4.2068599%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
SERIAL	07/01/2029	4.000%	3.560%			3.8026073%	0.0156423%
SERIAL	07/01/2030	4.000%	3.650%			3.9110432%	0.0137890%
SERIAL	07/01/2031	4.000%	3.680%			3.9560493%	0.0099973%
SERIAL	07/01/2032	4.000%	3.710%			3.9955758%	0.0013127%
TERM1	07/01/2034	5.000%	3.500%			4.1435203%	0.3414277%
TERM1	07/01/2035	5.000%	3.500%			4.1863755%	0.3690889%
TERM1	07/01/2036	5.000%	3.500%			4.2242221%	0.3923558%
TERM1	07/01/2037	5.000%	3.500%			4.2578533%	0.4120007%
TERM1	07/01/2038	5.000%	3.500%			4.2879034%	0.4286372%
TERM2	07/01/2039	5.000%	3.650%			4.4055743%	0.3833932%
TERM2	07/01/2040	5.000%	3.650%			4.4275023%	0.3931966%
TERM2	07/01/2041	5.000%	3.650%			4.4473555%	0.4014453%
TERM2	07/01/2042	5.000%	3.650%			4.4653953%	0.4083802%
TERM2	07/01/2043	5.000%	3.650%			4.4818410%	0.4142008%
TERM2	07/01/2044	5.000%	3.650%			4.4968785%	0.4190734%
TERM2	07/01/2045	5.000%	3.650%			4.5106660%	0.4231375%
TERM2	07/01/2046	5.000%	3.650%			4.5233391%	0.4265105%
TERM2	07/01/2047	5.000%	3.650%			4.5350148%	0.4292918%
TERM2	07/01/2048	5.000%	3.650%			4.5457946%	0.4315657%
TERM3	07/01/2049	5.000%	3.700%			4.5805133%	0.4088858%
TERM3	07/01/2050	5.000%	3.700%			4.5894131%	0.4100865%
TERM3	07/01/2051	5.000%	3.700%			4.5976745%	0.4109897%
TERM3	07/01/2052	5.000%	3.700%			4.6053554%	0.4116383%
TERM3	07/01/2053	5.000%	3.700%			4.6125070%	0.4120694%
TERM3	07/01/2054	5.000%	3.700%			4.6191747%	0.4123148%

PROOF OF ALL-IN TIC

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Date	Debt Service	PV to 07/11/2018 @ 4.761862%
01/01/2019	214,719.44	210,000.35
07/01/2019	227,350.00	217,182.35
01/01/2020	239,193.75	223,182.60
07/01/2020	239,193.75	217,992.35
01/01/2021	239,193.75	212,922.81
07/01/2021	239,193.75	207,971.16
01/01/2022	239,193.75	203,134.66
07/01/2022	364,037.50	301,968.24
01/01/2023	236,537.50	191,644.37
07/01/2023	366,375.00	289,936.45
01/01/2024	233,775.00	180,699.10
07/01/2024	368,606.25	278,292.52
01/01/2025	230,906.25	170,276.79
07/01/2025	370,731.25	267,029.90
01/01/2026	227,931.25	160,356.10
07/01/2026	377,743.75	259,573.19
01/01/2027	224,743.75	150,845.06
07/01/2027	379,550.00	248,824.65
01/01/2028	221,450.00	141,801.56
07/01/2028	381,250.00	238,449.33
01/01/2029	218,050.00	133,205.84
07/01/2029	382,843.75	228,438.70
01/01/2030	214,543.75	125,038.83
07/01/2030	389,325.00	221,626.79
01/01/2031	210,825.00	117,223.05
07/01/2031	390,600.00	212,130.96
01/01/2032	207,000.00	109,805.25
07/01/2032	396,762.50	205,572.15
01/01/2033	202,962.50	102,714.18
07/01/2033	402,712.50	199,063.04
01/01/2034	198,712.50	95,940.42
07/01/2034	403,456.25	190,262.77
01/01/2035	193,331.25	89,051.32
07/01/2035	408,062.50	183,588.69
01/01/2036	187,687.50	82,477.50
07/01/2036	417,400.00	179,156.90
01/01/2037	181,650.00	76,154.82
07/01/2037	421,350.00	172,538.47
01/01/2038	175,350.00	70,134.17
07/01/2038	430,031.25	167,998.27
01/01/2039	168,656.25	64,355.87
07/01/2039	433,325.00	161,502.92
01/01/2040	161,700.00	58,865.06
07/01/2040	441,350.00	156,932.04
01/01/2041	154,350.00	53,606.33
07/01/2041	448,981.25	152,306.54
01/01/2042	146,606.25	48,576.22
07/01/2042	456,218.75	147,647.24
01/01/2043	138,468.75	43,770.84
07/01/2043	463,062.50	142,972.88
01/01/2044	129,937.50	39,185.87
07/01/2044	474,506.25	139,771.25
01/01/2045	120,881.25	34,778.89
07/01/2045	480,431.25	135,010.96
01/01/2046	111,431.25	30,586.21
07/01/2046	490,956.25	131,626.22
01/01/2047	101,456.25	26,568.03
07/01/2047	500,956.25	128,133.08
01/01/2048	90,956.25	22,723.49
07/01/2048	510,431.25	124,554.83
01/01/2049	79,931.25	19,051.13
07/01/2049	524,375.00	122,075.12
01/01/2050	68,250.00	15,519.18
07/01/2050	532,668.75	118,305.31
01/01/2051	56,043.75	12,157.80
07/01/2051	545,431.25	115,571.01
01/01/2052	43,181.25	8,936.86
07/01/2052	557,537.50	112,705.42
01/01/2053	29,662.50	5,856.79
07/01/2053	573,981.25	110,695.58
01/01/2054	15,356.25	2,892.67
07/01/2054	599,625.00	110,325.06
	21,305,038.19	9,931,772.39

Delivery Date	07/11/2018
All-in TIC	4.761862%
All-in TIC target	9,931,772.39

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Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

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SOURCES AND USES OF FUNDS

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Dated Date	08/15/2018
Delivery Date	08/15/2018

Sources:	
Bond Proceeds:	
Par Amount	9,470,000.00
Premium	906,937.65
	10,376,937.65

Uses:	
Project Fund Deposits:	
Loan Payoff	3,800,000.00
New Money Project	5,000,000.00
	8,800,000.00
Other Fund Deposits:	
Capitalized Interest Fund **	500,889.11
Debt Service Reserve Fund *	607,000.00
	1,107,889.11
Delivery Date Expenses:	
Cost of Issuance	309,503.91
Underwriter's Discount	155,654.06
	465,157.97
Other Uses of Funds:	
Additional Proceeds	3,890.57
	10,376,937.65

Notes:
* Assumes 2% annual earnings on DSRF.
** CAPI reflects 60% of interest through 7/1/2019; and $285,000 through 7/1/2020.

BOND PRICING

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****

Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Bond Component	Maturity Date	Amount	Rate	Yield	Price		Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds:										
	07/01/2022	135,000	4.000%	2.700%	104.753					6,416.55
	07/01/2023	140,000	4.000%	2.830%	105.293					7,410.20
	07/01/2024	145,000	4.000%	3.010%	105.294					7,676.30
	07/01/2025	150,000	4.000%	3.180%	105.027					7,540.50
	07/01/2026	155,000	4.000%	3.310%	104.747					7,357.85
	07/01/2027	165,000	4.000%	3.390%	104.639					7,654.35
	07/01/2028	170,000	4.000%	3.480%	104.312					7,330.40
	07/01/2029	180,000	4.000%	3.580%	103.465	C	3.612%	07/01/2028	100.000	6,237.00
	07/01/2030	185,000	4.000%	3.670%	102.710	C	3.715%	07/01/2028	100.000	5,013.50
	07/01/2031	195,000	4.000%	3.700%	102.459	C	3.757%	07/01/2028	100.000	4,795.05
	07/01/2032	200,000	4.000%	3.720%	102.293	C	3.786%	07/01/2028	100.000	4,586.00
	07/01/2033	210,000	4.000%	3.770%	101.878	C	3.833%	07/01/2028	100.000	3,943.80
		2,030,000								75,961.50
Term Bond 2038:										
	07/01/2034	220,000	5.000%	3.500%	112.431	C	4.081%	07/01/2028	100.000	27,348.20
	07/01/2035	230,000	5.000%	3.500%	112.431	C	4.081%	07/01/2028	100.000	28,591.30
	07/01/2036	240,000	5.000%	3.500%	112.431	C	4.081%	07/01/2028	100.000	29,834.40
	07/01/2037	255,000	5.000%	3.500%	112.431	C	4.081%	07/01/2028	100.000	31,699.05
	07/01/2038	270,000	5.000%	3.500%	112.431	C	4.081%	07/01/2028	100.000	33,563.70
		1,215,000								151,036.65
Term Bond 2048:										
	07/01/2039	285,000	5.000%	3.650%	111.107	C	4.333%	07/01/2028	100.000	31,654.95
	07/01/2040	295,000	5.000%	3.650%	111.107	C	4.333%	07/01/2028	100.000	32,765.65
	07/01/2041	315,000	5.000%	3.650%	111.107	C	4.333%	07/01/2028	100.000	34,987.05
	07/01/2042	330,000	5.000%	3.650%	111.107	C	4.333%	07/01/2028	100.000	36,653.10
	07/01/2043	345,000	5.000%	3.650%	111.107	C	4.333%	07/01/2028	100.000	38,319.15
	07/01/2044	365,000	5.000%	3.650%	111.107	C	4.333%	07/01/2028	100.000	40,540.55
	07/01/2045	385,000	5.000%	3.650%	111.107	C	4.333%	07/01/2028	100.000	42,761.95
	07/01/2046	405,000	5.000%	3.650%	111.107	C	4.333%	07/01/2028	100.000	44,983.35
	07/01/2047	425,000	5.000%	3.650%	111.107	C	4.333%	07/01/2028	100.000	47,204.75
	07/01/2048	450,000	5.000%	3.650%	111.107	C	4.333%	07/01/2028	100.000	49,981.50
		3,600,000								399,852.00
Term Bond 2053:										
	07/01/2049	470,000	5.000%	3.700%	110.670	C	4.399%	07/01/2028	100.000	50,149.00
	07/01/2050	495,000	5.000%	3.700%	110.670	C	4.399%	07/01/2028	100.000	52,816.50
	07/01/2051	520,000	5.000%	3.700%	110.670	C	4.399%	07/01/2028	100.000	55,484.00
	07/01/2052	550,000	5.000%	3.700%	110.670	C	4.399%	07/01/2028	100.000	58,685.00
	07/01/2053	590,000	5.000%	3.700%	110.670	C	4.399%	07/01/2028	100.000	62,953.00
		2,625,000								280,087.50
		9,470,000								906,937.65

Dated Date	08/15/2018	
Delivery Date	08/15/2018	
First Coupon	01/01/2019	
Par Amount	9,470,000.00	
Premium	906,937.65	
Production	10,376,937.65	109.576955%
Underwriter's Discount	-155,654.06	-1.643654%
Purchase Price	10,221,283.59	107.933301%
Accrued Interest		
Net Proceeds	10,221,283.59	

BOND SUMMARY STATISTICS

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Dated Date	08/15/2018
Delivery Date	08/15/2018
Last Maturity	07/01/2053
Arbitrage Yield	3.828841%
True Interest Cost (TIC)	4.203842%
Net Interest Cost (NIC)	4.570122%
All-In TIC	4.759194%
Average Coupon	4.909543%
Average Life (years)	23.373
Duration of Issue (years)	14.187
Par Amount	9,470,000.00
Bond Proceeds	10,376,937.65
Total Interest	10,866,908.89
Net Interest	10,115,625.30
Total Debt Service	20,336,908.89
Maximum Annual Debt Service	619,500.00
Average Annual Debt Service	583,090.73
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	16.436543
Total Underwriter's Discount	16.436543
Bid Price	107.933301

Bond Component	Par Value	Price	Average Coupon	Average Life	Duration	PV of 1 bp change
Serial Bonds	2,030,000.00	103.742	4.000%	9.863	8.155	1,482.75
Term Bond 2038	1,215,000.00	112.431	5.000%	17.981	12.423	1,069.20
Term Bond 2048	3,600,000.00	111.107	5.000%	25.799	15.305	3,168.00
Term Bond 2053	2,625,000.00	110.670	5.000%	32.990	17.260	2,283.75
	9,470,000.00			23.373		8,003.70

	TIC	All-In TIC	Arbitrage Yield
Par Value	9,470,000.00	9,470,000.00	9,470,000.00
+ Accrued Interest			
+ Premium (Discount)	906,937.65	906,937.65	906,937.65
- Underwriter's Discount		-155,654.06	
- Cost of Issuance Expense		-309,503.91	
- Other Amounts			
Target Value	10,376,937.65	9,911,779.68	10,376,937.65
Target Date	08/15/2018	08/15/2018	08/15/2018
Yield	4.203842%	4.759194%	3.828841%

BOND DEBT SERVICE

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Period Ending	Principal	Coupon	Interest	Debt Service
07/01/2019			397,808.89	397,808.89
07/01/2020			453,200.00	453,200.00
07/01/2021			453,200.00	453,200.00
07/01/2022	135,000	4.000%	453,200.00	588,200.00
07/01/2023	140,000	4.000%	447,800.00	587,800.00
07/01/2024	145,000	4.000%	442,200.00	587,200.00
07/01/2025	150,000	4.000%	436,400.00	586,400.00
07/01/2026	155,000	4.000%	430,400.00	585,400.00
07/01/2027	165,000	4.000%	424,200.00	589,200.00
07/01/2028	170,000	4.000%	417,600.00	587,600.00
07/01/2029	180,000	4.000%	410,800.00	590,800.00
07/01/2030	185,000	4.000%	403,600.00	588,600.00
07/01/2031	195,000	4.000%	396,200.00	591,200.00
07/01/2032	200,000	4.000%	388,400.00	588,400.00
07/01/2033	210,000	4.000%	380,400.00	590,400.00
07/01/2034	220,000	5.000%	372,000.00	592,000.00
07/01/2035	230,000	5.000%	361,000.00	591,000.00
07/01/2036	240,000	5.000%	349,500.00	589,500.00
07/01/2037	255,000	5.000%	337,500.00	592,500.00
07/01/2038	270,000	5.000%	324,750.00	594,750.00
07/01/2039	285,000	5.000%	311,250.00	596,250.00
07/01/2040	295,000	5.000%	297,000.00	592,000.00
07/01/2041	315,000	5.000%	282,250.00	597,250.00
07/01/2042	330,000	5.000%	266,500.00	596,500.00
07/01/2043	345,000	5.000%	250,000.00	595,000.00
07/01/2044	365,000	5.000%	232,750.00	597,750.00
07/01/2045	385,000	5.000%	214,500.00	599,500.00
07/01/2046	405,000	5.000%	195,250.00	600,250.00
07/01/2047	425,000	5.000%	175,000.00	600,000.00
07/01/2048	450,000	5.000%	153,750.00	603,750.00
07/01/2049	470,000	5.000%	131,250.00	601,250.00
07/01/2050	495,000	5.000%	107,750.00	602,750.00
07/01/2051	520,000	5.000%	83,000.00	603,000.00
07/01/2052	550,000	5.000%	57,000.00	607,000.00
07/01/2053	590,000	5.000%	29,500.00	619,500.00
	9,470,000		10,866,908.89	20,336,908.89

NET DEBT SERVICE

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Period Ending	Principal	Interest	Total Debt Service	Enhancement Fee (25bps)	Debt Service Reserve Fund *	Capitalized Interest Fund **	Net Debt Service
07/01/2019		397,808.89	397,808.89			238,685.33	159,123.56
07/01/2020		453,200.00	453,200.00	23,675.00		285,000.00	191,875.00
07/01/2021		453,200.00	453,200.00	23,675.00	12,140		464,735.00
07/01/2022	135,000	453,200.00	588,200.00	23,506.25	12,140		599,566.25
07/01/2023	140,000	447,800.00	587,800.00	23,162.50	12,140		598,822.50
07/01/2024	145,000	442,200.00	587,200.00	22,806.25	12,140		597,866.25
07/01/2025	150,000	436,400.00	586,400.00	22,437.50	12,140		596,697.50
07/01/2026	155,000	430,400.00	585,400.00	22,056.25	12,140		595,316.25
07/01/2027	165,000	424,200.00	589,200.00	21,656.25	12,140		598,716.25
07/01/2028	170,000	417,600.00	587,600.00	21,237.50	12,140		596,697.50
07/01/2029	180,000	410,800.00	590,800.00	20,800.00	12,140		599,460.00
07/01/2030	185,000	403,600.00	588,600.00	20,343.75	12,140		596,803.75
07/01/2031	195,000	396,200.00	591,200.00	19,868.75	12,140		598,928.75
07/01/2032	200,000	388,400.00	588,400.00	19,375.00	12,140		595,635.00
07/01/2033	210,000	380,400.00	590,400.00	18,862.50	12,140		597,122.50
07/01/2034	220,000	372,000.00	592,000.00	18,325.00	12,140		598,185.00
07/01/2035	230,000	361,000.00	591,000.00	17,762.50	12,140		596,622.50
07/01/2036	240,000	349,500.00	589,500.00	17,175.00	12,140		594,535.00
07/01/2037	255,000	337,500.00	592,500.00	16,556.25	12,140		596,916.25
07/01/2038	270,000	324,750.00	594,750.00	15,900.00	12,140		598,510.00
07/01/2039	285,000	311,250.00	596,250.00	15,206.25	12,140		599,316.25
07/01/2040	295,000	297,000.00	592,000.00	14,481.25	12,140		594,341.25
07/01/2041	315,000	282,250.00	597,250.00	13,718.75	12,140		598,828.75
07/01/2042	330,000	266,500.00	596,500.00	12,912.50	12,140		597,272.50
07/01/2043	345,000	250,000.00	595,000.00	12,068.75	12,140		594,928.75
07/01/2044	365,000	232,750.00	597,750.00	11,181.25	12,140		596,791.25
07/01/2045	385,000	214,500.00	599,500.00	10,243.75	12,140		597,603.75
07/01/2046	405,000	195,250.00	600,250.00	9,256.25	12,140		597,366.25
07/01/2047	425,000	175,000.00	600,000.00	8,218.75	12,140		596,078.75
07/01/2048	450,000	153,750.00	603,750.00	7,125.00	12,140		598,735.00
07/01/2049	470,000	131,250.00	601,250.00	5,975.00	12,140		595,085.00
07/01/2050	495,000	107,750.00	602,750.00	4,768.75	12,140		595,378.75
07/01/2051	520,000	83,000.00	603,000.00	3,500.00	12,140		594,360.00
07/01/2052	550,000	57,000.00	607,000.00	2,162.50	12,140		597,022.50
07/01/2053	590,000	29,500.00	619,500.00	737.50	619,140		1,097.50
	9,470,000	10,866,908.89	20,336,908.89	520,737.50	1,007,620	523,685.33	19,326,341.06

COST OF ISSUANCE

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Cost of Issuance	$/1000	Amount
Bond Counsel/Disclosure Counsel	7.91975	75,000.00
Borrower's Counsel	5.27983	50,000.00
Underwriter's Counsel	2.63992	25,000.00
Issuer Counsel	2.11193	20,000.00
Issuer (Upfront Fee at .4153%)	4.15300	39,328.91
Credit Enhancement Board Counsel	1.84794	17,500.00
Credit Enhancement Fee (First Year Fee)	2.50000	23,675.00
Rating (Enhanced) Fee	3.69588	35,000.00
Trustee	0.42239	4,000.00
Printing and Investor Roadshow	0.52798	5,000.00
Miscellaneous	1.58395	15,000.00
	32.68257	309,503.91

PROOF OF ARBITRAGE YIELD

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Date	Debt Service	Expenses	Total	Present Value to 08/15/2018 @ 3.8288409547%
01/01/2019	171,208.89		171,208.89	168,773.33
07/01/2019	226,600.00		226,600.00	219,180.43
01/01/2020	226,600.00	11,837.50	238,437.50	226,298.04
07/01/2020	226,600.00	11,837.50	238,437.50	222,047.13
01/01/2021	226,600.00	11,837.50	238,437.50	217,876.06
07/01/2021	226,600.00	11,837.50	238,437.50	213,783.35
01/01/2022	226,600.00	11,837.50	238,437.50	209,767.52
07/01/2022	361,600.00	11,668.75	373,268.75	322,217.91
01/01/2023	223,900.00	11,668.75	235,568.75	199,530.86
07/01/2023	363,900.00	11,493.75	375,393.75	311,992.25
01/01/2024	221,100.00	11,493.75	232,593.75	189,678.96
07/01/2024	366,100.00	11,312.50	377,412.50	301,996.40
01/01/2025	218,200.00	11,312.50	229,512.50	180,200.58
07/01/2025	368,200.00	11,125.00	379,325.00	292,230.59
01/01/2026	215,200.00	11,125.00	226,325.00	171,084.67
07/01/2026	370,200.00	10,931.25	381,131.25	282,694.58
01/01/2027	212,100.00	10,931.25	223,031.25	162,320.36
07/01/2027	377,100.00	10,725.00	387,825.00	276,953.88
01/01/2028	208,800.00	10,725.00	219,525.00	153,822.55
07/01/2028	8,378,800.00	10,512.50	8,389,312.50	5,768,019.81
01/01/2029	8,200.00	512.50	8,712.50	5,877.70
07/01/2029	8,200.00	512.50	8,712.50	5,767.29
01/01/2030	8,200.00	512.50	8,712.50	5,658.96
07/01/2030	8,200.00	512.50	8,712.50	5,552.65
01/01/2031	8,200.00	512.50	8,712.50	5,448.35
07/01/2031	8,200.00	512.50	8,712.50	5,346.00
01/01/2032	8,200.00	512.50	8,712.50	5,245.58
07/01/2032	208,200.00	262.50	208,462.50	123,152.49
01/01/2033	4,200.00	262.50	4,462.50	2,586.77
07/01/2033	214,200.00		214,200.00	121,832.58
	13,900,008.89	208,325.00	14,108,333.89	10,376,937.65

Proceeds Summary

Delivery date	08/15/2018
Par Value	9,470,000.00
Premium (Discount)	906,937.65
Target for yield calculation	10,376,937.65

PROOF OF ARBITRAGE YIELD

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
SERIAL	07/01/2029	4.000%	3.580%	07/01/2028	100.000	3.8103615%
SERIAL	07/01/2030	4.000%	3.670%	07/01/2028	100.000	3.9208473%
SERIAL	07/01/2031	4.000%	3.700%	07/01/2028	100.000	3.9700418%
SERIAL	07/01/2032	4.000%	3.720%			4.0063088%
TERM1	07/01/2034	5.000%	3.500%	07/01/2028	100.000	3.8064436%
TERM1	07/01/2035	5.000%	3.500%	07/01/2028	100.000	3.8218160%
TERM1	07/01/2036	5.000%	3.500%	07/01/2028	100.000	3.8365659%
TERM1	07/01/2037	5.000%	3.500%	07/01/2028	100.000	3.8507144%
TERM1	07/01/2038	5.000%	3.500%	07/01/2028	100.000	3.8642825%
TERM2	07/01/2039	5.000%	3.650%	07/01/2028	100.000	4.0272961%
TERM2	07/01/2040	5.000%	3.650%	07/01/2028	100.000	4.0395589%
TERM2	07/01/2041	5.000%	3.650%	07/01/2028	100.000	4.0512946%
TERM2	07/01/2042	5.000%	3.650%	07/01/2028	100.000	4.0625240%
TERM2	07/01/2043	5.000%	3.650%	07/01/2028	100.000	4.0732675%
TERM2	07/01/2044	5.000%	3.650%	07/01/2028	100.000	4.0835446%
TERM2	07/01/2045	5.000%	3.650%	07/01/2028	100.000	4.0933745%
TERM2	07/01/2046	5.000%	3.650%	07/01/2028	100.000	4.1027756%
TERM2	07/01/2047	5.000%	3.650%	07/01/2028	100.000	4.1117658%
TERM2	07/01/2048	5.000%	3.650%	07/01/2028	100.000	4.1203625%
TERM3	07/01/2049	5.000%	3.700%	07/01/2028	100.000	4.1778156%
TERM3	07/01/2050	5.000%	3.700%	07/01/2028	100.000	4.1855956%
TERM3	07/01/2051	5.000%	3.700%	07/01/2028	100.000	4.1930304%
TERM3	07/01/2052	5.000%	3.700%	07/01/2028	100.000	4.2001351%
TERM3	07/01/2053	5.000%	3.700%	07/01/2028	100.000	4.2069242%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
SERIAL	07/01/2029	4.000%	3.580%			3.8244352%	0.0140736%
SERIAL	07/01/2030	4.000%	3.670%			3.9315762%	0.0107289%
SERIAL	07/01/2031	4.000%	3.700%			3.9756456%	0.0056038%
SERIAL	07/01/2032	4.000%	3.720%	07/01/2028	100.000	4.0082024%	0.0018936%
TERM1	07/01/2034	5.000%	3.500%			4.1495255%	0.3430819%
TERM1	07/01/2035	5.000%	3.500%			4.1924940%	0.3706781%
TERM1	07/01/2036	5.000%	3.500%			4.2304166%	0.3938507%
TERM1	07/01/2037	5.000%	3.500%			4.2640961%	0.4133817%
TERM1	07/01/2038	5.000%	3.500%			4.2941741%	0.4298916%
TERM2	07/01/2039	5.000%	3.650%			4.4114170%	0.3841208%
TERM2	07/01/2040	5.000%	3.650%			4.4333429%	0.3937840%
TERM2	07/01/2041	5.000%	3.650%			4.4531869%	0.4018923%
TERM2	07/01/2042	5.000%	3.650%			4.4712121%	0.4086881%
TERM2	07/01/2043	5.000%	3.650%			4.4876395%	0.4143720%
TERM2	07/01/2044	5.000%	3.650%			4.5026558%	0.4191112%
TERM2	07/01/2045	5.000%	3.650%			4.5164203%	0.4230459%
TERM2	07/01/2046	5.000%	3.650%			4.5290692%	0.4262937%
TERM2	07/01/2047	5.000%	3.650%			4.5407200%	0.4289542%
TERM2	07/01/2048	5.000%	3.650%			4.5514746%	0.4311121%
TERM3	07/01/2049	5.000%	3.700%			4.5860149%	0.4081992%
TERM3	07/01/2050	5.000%	3.700%			4.5948900%	0.4092944%
TERM3	07/01/2051	5.000%	3.700%			4.6031271%	0.4100967%
TERM3	07/01/2052	5.000%	3.700%			4.6107841%	0.4106490%
TERM3	07/01/2053	5.000%	3.700%			4.6179124%	0.4109882%

PROOF OF ALL-IN TIC

Education Revenue Bonds
(Vista College Prep Project), Series 2018A
****
Preliminary (Tax Exempt, Credit Enhanced and 2-Year Interest Only)

Date	Debt Service	PV to 08/15/2018 @ 4.759194%
01/01/2019	171,208.89	168,193.62
07/01/2019	226,600.00	217,435.12
01/01/2020	238,437.50	223,476.02
07/01/2020	238,437.50	218,281.79
01/01/2021	238,437.50	213,208.30
07/01/2021	238,437.50	208,252.72
01/01/2022	238,437.50	203,412.33
07/01/2022	373,268.75	311,036.19
01/01/2023	235,568.75	191,731.54
07/01/2023	375,393.75	298,434.82
01/01/2024	232,593.75	180,612.20
07/01/2024	377,412.50	286,254.23
01/01/2025	229,512.50	170,031.18
07/01/2025	379,325.00	274,486.04
01/01/2026	226,325.00	159,966.09
07/01/2026	381,131.25	263,121.62
01/01/2027	223,031.25	150,395.30
07/01/2027	387,825.00	255,441.20
01/01/2028	219,525.00	141,229.60
07/01/2028	389,312.50	244,639.55
01/01/2029	215,912.50	132,523.43
07/01/2029	395,687.50	237,221.37
01/01/2030	212,087.50	124,194.72
07/01/2030	396,856.25	226,990.60
01/01/2031	208,156.25	116,292.23
07/01/2031	402,912.50	219,866.25
01/01/2032	204,012.50	108,740.47
07/01/2032	403,762.50	210,206.90
01/01/2033	199,762.50	101,583.12
07/01/2033	409,500.00	203,398.65
01/01/2034	195,300.00	94,750.82
07/01/2034	415,025.00	196,671.57
01/01/2035	189,525.00	87,724.40
07/01/2035	419,237.50	189,539.89
01/01/2036	183,487.50	81,027.71
07/01/2036	423,187.50	182,535.15
01/01/2037	177,187.50	74,650.61
07/01/2037	431,868.75	177,720.95
01/01/2038	170,493.75	68,530.18
07/01/2038	440,156.25	172,809.21
01/01/2039	163,406.25	62,663.59
07/01/2039	448,050.00	167,826.16
01/01/2040	155,925.00	57,047.36
07/01/2040	450,556.25	161,010.93
01/01/2041	148,181.25	51,723.30
07/01/2041	462,787.50	157,783.34
01/01/2042	139,912.50	46,593.21
07/01/2042	469,500.00	152,717.32
01/01/2043	131,250.00	41,700.24
07/01/2043	475,818.75	147,661.55
01/01/2044	122,193.75	37,039.19
07/01/2044	486,737.50	144,109.91
01/01/2045	112,612.50	32,566.58
07/01/2045	497,131.25	140,424.62
01/01/2046	102,506.25	28,281.94
07/01/2046	507,000.00	136,632.29
01/01/2047	91,875.00	24,184.07
07/01/2047	516,343.75	132,757.01
01/01/2048	80,718.75	20,271.20
07/01/2048	530,156.25	130,045.58
01/01/2049	68,906.25	16,509.61
07/01/2049	538,318.75	125,980.81
01/01/2050	56,568.75	12,930.88
07/01/2050	550,950.00	123,012.78
01/01/2051	43,575.00	9,503.03
07/01/2051	562,925.00	119,911.76
01/01/2052	29,925.00	6,226.33
07/01/2052	579,237.50	117,717.51
01/01/2053	15,487.50	3,074.34
07/01/2053	604,750.00	117,255.56
	20,857,646.39	9,911,779.68

Delivery Date	08/15/2018
All-in TIC	4.759194%
All-in TIC target	9,911,779.68

Charter Board Directors & Senior Staff

For exhibited sustainability of the Achievement District School's financial operations, charter public school applicants must include a listing of the names, positions, and experience of the charter public school's corporate board of directors and its senior staff.

Governing Board Members (Officers Noted)

Charles Mitchell, CEO – All About People (Board Chair): As CEO, Mr. Mitchell oversees all company day-to-day operations, including recruitment of employees and staff, and is responsible for directing all legal efforts relating to the business. Mr. Mitchell was instrumental in leading the company from start-up to $17 M in revenue within the first three years of operation. He also serves on the local, regional and national boards representing Arizona and California for INROADS, a national internship program for talented minority youth. Mr. Mitchell was recently appointed as the Small and Local Business Advisor to Mayor Greg Stanton. Mr. Mitchell earned his BS at North Carolina A&T State University, MBA at the University of North Carolina, JD at American University, and graduated from Harvard Business School's Owner/President Management Program. As board chair, Mr. Mitchell brings strong executive leadership and acumen in business, law and finance to the Governing Board of Vista College Prep.

Cassie Breecher, Consultant (Vice Chair): Ms. Breecher was most recently the Vice President of Education at Valley of the Sun United Way. There she led VSUW's strategy, community partnerships, and collective impact model work in education along a birth to career continuum, as the organization invests more than $50 million in improving outcomes for children and youth in Maricopa County and around the state. Ms. Breecher is a Flinn-Brown Civic Leadership Fellow, and serves on a variety of community boards in and around Phoenix. Ms. Breecher earned a BA in Political Science at The Colorado College and Master's Degree in Education at Arizona State University. Ms. Breecher brings a wealth of leadership experience within education and a connection to both local and national networks of high performing educators to the Governing Board of Vista College Prep.

Kelly McManus, Director of Government Affairs – Education Trust (Secretary): After teaching as a seventh and eighth grade Literacy teacher in Philadelphia through Teach For America, Ms. McManus moved to Arizona to continue her commitment to education as the Manager of Public Partnerships for Teach For America-Phoenix. In this role, Ms. McManus represented Teach For America at the Arizona Legislature. Additionally, Ms. McManus served for three years as the Government Affairs Director for Stand for Children Arizona, working on education policy development, advocacy, and implementation. Ms. McManus earned a BA at Wake Forest University and MS in Education at the University of Pennsylvania. Ms. McManus brings experience in education, education policy, and development to the Governing Board of Vista College Prep.

Katherine Cecala, President – Junior Achievement of Arizona (Treasurer): Ms. Cecala was most recently the COO at Valley of the Sun United Way where she led the strategic business operations including administration, finance, pledge processing, facilities, technology, legal services, and

human resources for non-profit dedicated to improving lives in Maricopa County. Ms. Cecala is active in the philanthropic community and currently serves on numerous boards as a member and as Treasurer. Ms. Cecala earned a BS at Louisiana State University and a JD at the University of Arkansas at Little Rock School of Law. Ms. Cecala brings critical experience in business operations, finance, governance and human resources to the Governing Board of Vista College Prep.

Dawn Kennedy, Dir. of Corporate Tax Credits – Brophy Community Foundation (Board Member): Ms. Kennedy recently retired as the Executive Director for the Brophy Community Foundation, where in just one year she raised over $1 million in Arizona tax credits. She is active in the philanthropic community and has led and served on numerous boards and committees including the Arizona Science Center, Paradise United Methodist Church Preschool and the Phoenix Public Library. Ms. Kennedy earned her BS from Arizona State University and her JD from the University of Arizona. Ms. Kennedy brings strong expertise in development, fundraising, and non-profit management to the Governing Board of Vista College Prep.

Christopher Dang, Attorney – Quarles and Brady LLP (Board Member): Mr. Dang analyzes health care regulations to guide national health care providers and suppliers in their business operations. He also manages multi-state legal compliance surveys on state food and drug, professional practice, facility licensing, and business laws. Before attending law school, Mr. Dang taught 8th grade Language Arts in St. Louis with Teach For America. Mr. Dang earned a BA and JD from The University of Arizona. Mr. Dang brings an outstanding background in education and law to the Governing Board of Vista College Prep.

Irene Carroll, Co-Founder and Principal – Funding the Gap (Board Member): Ms. Carroll is co-founder and principal of Funding the Gap, LLC, a real estate capital advisory & mortgage brokerage services firm with a focus on charter school facilities financing. Her extensive and successful business background coupled with her philanthropic passion and experience give her a unique advantage in helping charter schools obtain necessary funding and provide short and long term financial planning services. She serves on the Board of Rancho Feliz Charitable Foundation, and as Project Manager for a decade-long undertaking in Agua Prieta, Mexico overseeing the design of an entire housing community complete with education and child care facilities. For this role, Ms. Carroll was awarded national recognition as Outstanding Woman of the Year in Construction in 2004 by Arizona State University and the National Association of Women in Construction. Ms. Carroll obtained a BS in Accounting from the University of Texas at El Paso and is a Certified Public Accountant. Ms. Carroll brings expertise in real estate, finance and accounting to the Governing Board of Vista College Prep.

Grant Crone, Principal – MMPR Marketing: A principal at the Phoenix-based, MMPR Marketing, Grant Crone is recognized as an expert in the public relations & marketing fields. Named the 2014 Public Relations Man of the Year by "Arizona Foothills Magazine," Grant spearheads his firm's client strategy & marketing efforts, including the full ecosystem of branding, digital marketing, public relations and social media. A member of both the Scottsdale League for the Arts and the Phoenix Children's Hospital Emerging Leaders, Grant also serves on the governing board for Vista

College Preparatory. A Valley native, Grant attended high school at Brophy College Preparatory, and earned his undergrad degree at Fordham University in New York City. Grant and his wife Julie live in Phoenix with their one-year-old son. Mr. Crone brings extensive marketing expertise to the Governing Board of Vista College Prep.
Vista College Prep is also excited to bring on a new board member, Christina Spicer, who brings a strong background in fundraising. While she has been approved by our board, she is currently a non-voting member until she is approved by the Arizona State Board for Charter Schools.

Christina Spicer, Senior Associate, Fund Development – Girl Scouts – Arizona: After graduating from Arizona State University (ASU) with a BS in Communication, Christina joined notMYkid, a local nonprofit organization, as the director of the Clear Choices program. Clear Choices engaged teens throughout the Valley in discussions about issues such as drug and alcohol use, body image disorders, depression, etc. Christina earned a Master's in Nonprofit Management from ASU in 2008. Shortly thereafter, Christina joined the staff of Teach For America-Phoenix as the Manager of Corporation and Foundation Relations and later was promoted to Managing Director of Development. In this role, she managed the advisory board of high profile Phoenix community members, participated as a leadership team member and led the development team which was responsible for annual fundraising revenues of more than seven million dollars per year. After six years at Teach For America-Phoenix, Christina joined the Girl Scouts Arizona Cactus Pine Council in 2014. As the Senior Associate of Fund Development, Christina leads a team that is responsible for securing philanthropic investments that build girls of courage, character and confidence. The goals of the department are to complete the $18M Campaign for Girls and to build a strong annual giving program for the Council. Christina lives in Phoenix, Arizona with her husband, daughter (4) and son (2).

Senior Staff

Julia Meyerson, VCP Network Team (Founder & Executive Director): Ms. Meyerson joined Teach For America (TFA) upon college graduation and taught in the South Bronx as a first grade teacher. During her two years in the classroom, she achieved solid academic gains with her first-graders. Later selected as a Corps Member Advisor, she was responsible for managing incoming TFA corps members and training them to become successful teachers. Realizing the tremendous impact of state and local policy on transforming education, Ms. Meyerson went on to join the Democratic Governors Association. Starting as the Assistant to the Executive Director, Ms. Meyerson was promoted each year, and most recently served as the organization's Policy Director where she had a unique opportunity to work with innovative governors, business leaders and policy experts on the pressing issues facing state and local government. In 2011, Ms. Meyerson was accepted into the highly selective Building Excellent Schools Fellowship. Eager to make a positive contribution to her home state of Arizona, Ms. Meyerson is the Executive Director for Vista College Prep and ex officio non-voting member of the Governing Board. Ms. Meyerson earned a BA at the University of Southern California and a MS in Teaching at Pace University.

Description of the Building Excellent Schools Fellowship: The mission of Building Excellent Schools is to develop and support school leaders who have the capacity to lead consistently high performing schools and who view solid academic achievement as a necessity for transforming

children's lives. BES develops in leaders the ability to: articulate a powerful vision; translate vision into reality; develop their own skills; develop the skills of others; drive student achievement.

The Fellowship includes the following elements: individual in-school observations and consultations with school principals and their senior staff, written evaluations and recommendations, an off-site retreat with leadership teams from all participating schools, development by leadership teams of building-level action plans, follow-up visits and retreats to confirm progress and update action plans. BES, in collaboration with participating schools across the country, has documented best practices and has developed nationally recognized leadership training materials. In addition to the services described above, the Building Excellent Schools leadership training, school design, and ongoing support include the following programmatic components:

- Dedicated training space for leadership seminars and off-site school "action team" meetings.
- Opportunities for cross fertilization of ideas and best practices with other BES participants through a regular series of informal events and focused workshops.
- Development of additional leadership trainers, recruited from the graduates of Building Excellent Schools.

Dr. Megan Frankiewicz, VCP Network Team (Senior Director of Curriculum and Instruction): Megan grew in up in a family of educators but was spurred to sign on to Teach For America (TFA) as a Phoenix corps member following work in the criminal justice system. Over the past five years at Vista College Prep, Megan has worked to develop curriculum and assessments that support a data-driven school culture and to support the coaching and learning opportunities that develop incredible teachers. In her current role, Megan coaches and supports Vista College Prep's principals and oversees all curriculum development. Megan earned a Bachelor of Arts, Masters in Education, and Doctorate in Education Administration and Leadership at Arizona State University.

Sarah Mertz, VCP-Maryvale (Principal): Sarah Mertz has been in education for the past 10 years. As Principal of VCP-Maryvale, Sarah is able to support all of the teachers in ensuring that they are delivering the best possible education to all of our scholars. Prior to entering this role, Sarah was Vice Principal and Principal in Residence at VCP-Hadley, where she was previously a founding kindergarten teacher and first grade teacher. Mrs. Mertz began her teaching career in Anthem, Arizona, teaching 1st grade for two years. She then moved back to Wisconsin and continued her education at Concordia University Wisconsin, while also coaching the Volleyball team for the University for two years, while teaching third grade and then middle school. She holds a Bachelor of Arts Degree in Education with minors in Adaptive Education and Elementary Math from Concordia University Wisconsin.

Kela Powers, VCP Network Team (Director of Operations): Kela's passion for education began volunteering in central China at an orphanage, teaching lessons in math, English, and health. Quickly realizing how teachers could transform the lives of children by giving them the skills necessary for success, Kela knew she wanted to deeply impact student achievement. She became a Teach For America corps member in Phoenix, Arizona in 2011. Kela earned a Bachelors

of Science in Business Administration from Chapman University and a Masters of Education in Elementary Education from Arizona State University. She became the Founding Director of Operations at Vista College Prep in 2013. Since the founding of Vista College Prep, Kela has lead all school level operations, student recruitment and family engagement practices, and all school level state reporting including student information systems, attendance, and the National School Breakfast and Lunch program.

Sam Shapiro, VCP Network Team (Director of Strategy & Growth): Sam was a founding teacher at Vista College Prep. After completing his two-year commitment as a Corps Member with Teach for America, Sam transitioned out of the classroom as the Manger of Special Projects. In this capacity, Sam supported in developing VCP's growth plan and systems for sustainable expansion. As Director of Strategy and Growth, Sam continues to support in the development and execution of VCP's strategic plan. Prior to joining Vista College Prep and Teach for America, Sam worked to pass Prop P, a ballot measure in St. Louis, and to reelect President Obama, working in the Digital Department at Obama for America's national headquarters. Sam graduated from Washington University in St. Louis with a degree in Political Science and earned a Masters in Elementary Education from Arizona State University as a TFA Corps Member.

Nick Shimon, VCP Network Team (Director of Finance): Nick has over seven years of experience in the finance and accounting industry. He is a graduate of Drake University with a Bachelor of Science in Business Administration and a Masters in Accounting from Grand Canyon University. Early in his professional career he scaled the corporate ladder for over six years at American Express where he was a Senior Financial Analyst. He joined the Vista College Preparatory team as the Director of Finance in July 2017. Nick brings a versatile skillset to the Vista College Preparatory team which includes strong understanding of financial internal controls and procedures, financial reporting, financial analysis, and risk management.

Bridget White, VCP Network Team (Director of Talent): Bridget White is thrilled to join the Vista College Prep team as its first Director Talent. Bridget started her career as a middle school special education teacher and Teach For America corps member at I.G. Conchos School in the Roosevelt District. After a year of non-profit program management in Phoenix, she returned to her native Boston and served six years on the founding team at Excel-Chelsea as Dean of Operations and later as Founding Operations Department Head at Excel Academy Charter Schools. She returned to the Valley in Fall 2017 as a consultant supporting public district and charter schools, including Vista College Prep, where she is both proud and grateful to serve VCP scholars, their families, and communities by recruiting, developing and retaining the best teachers in Arizona.

Dr. Roxanne Zamora, VCP-Hadley (Principal): Roxanne N. Zamora grew up in the borderland city of El Paso, Texas. After graduating with a Bachelor of Science in Advertising and a minor in Business Law from University of Texas-Austin, she was accepted into the Teach for America-Phoenix 2007 Corps. During the eight years serving as a K-4 Special Education Teacher and Mentor/Master Teacher at her placement school in the Littleton Elementary School District, she received her Master's in Special Education in 2009 and her Doctorate in Education Innovation and Leadership in 2013, both from Arizona State University. In 2015, she accepted a position as

Dean of Scholars at Pinnacle Primary with Uplift Education in Dallas, Texas. She served in that position for two years before making the decision to move back to Arizona. At that time, she was given the opportunity to lead Vista College Prep-Hadley, a K-5 campus in downtown Phoenix, as Principal. She is currently loving her first year serving VCP in that role. She and her husband have been married for seven years and they have two boys, ages two and three.

Overview

Narrative

Vista College Prep is seeking Guaranteed Financing in order to expand the number of students served. Guaranteed Financing will finance the construction of a new facility on VCP's Maryvale campus, increasing capacity by 440 students to 528 students, kindergarten through fifth grade. Additionally, VCP will use Guaranteed Financing to refinance existing debt which will enable additional investments to be made in current schools and programming, as well as lay a foundation to create a financial structure that enables further anticipated growth (ES 3 + 4 shown in the tab, "Projected" in the section, "Proposed Growth"). Because these schools are yet to open, they are not included in the historicals or current growth section.

	Historicals				
VCP School and Grade	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18***
VCP Hadley					
Kinder	32	37	48	59	61
1st	32	42	38	62	59
2nd		40	41	41	65
3rd			41	43	44
4th				41	43
5th					41
Total	64	119	168	246	313
VCP Maryvale					
Kinder					22
1st					22
2nd					22
3rd					
4th					
5th					
Total					66
VCP Total	64	119	168	246	379

*As of October 1, 2017

			Projected			
		FY19	FY20	FY21	FY22	FY23
	VCP School and Grade	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**
Current Growth	**VCP Hadley**					
	Kinder	63	63	66	66	66
	1st	63	63	66	66	66
	2nd	63	66	66	66	66
	3rd	63	66	66	66	66
	4th	42	66	66	66	66
	5th	42	42	66	66	66
	Total	336	366	396	396	396
	VCP Maryvale					
	Kinder	44	88	88	88	88
	1st	44	88	88	88	88
	2nd	44	66	88	88	88
	3rd	22	44	66	88	88
	4th	0	22	44	66	88
	5th	0		22	44	66
	Total	154	308	396	462	506
	VCP Middle School					
	6th	42	44	54	90	129
	7th	0	44	54	54	88
	8th	0		44	54	54
	Total	42	88	152	198	271
	VCP Total	532	762	944	1056	1173
Proposed Growth	**ES #3**					
	Kinder			44	88	88
	1st			66	66	88
	2nd			44	88	88
	3rd			0	44	88
	4th			0	0	44
	5th			0	0	0
	Total			154	286	396
	ES #4					
	Kinder			44	88	88
	1st			66	66	88
	2nd			44	88	88
	3rd			0	44	88
	4th			0	0	44
	5th			0	0	0
	Total			154	286	396
	VCP Total w/ Proposed Growth	532	762	1252	1628	1965

Schedule for Existing Loan

Loan #: 225-01-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $3,400,000.00

Phases: 1. Due 3/1/2016 for 24 Months, Construction Interest at 5.875%, 360 day year
2. Due 3/1/2018 for 60 Months, Typ P+I $21,647.19, Traditional Mortgage: Constant Payment, balloon approx. $2,876,188 at 5.875%

- Due dates already satisfied show actual amounts received.
- Any due dates now delinquent show amounts as they would be satisfied if posted today.
- Future unsatisfied due dates show amounts as if payment will be received exactly on the due dates.

Pmt	Due or Draw Date	Phase	Principal	Interest	Escrow	Service Fee	Late	Total Pmt	Unamortized Balance	Cum. Interest Deferred
Draw	2/1/2016		(1,500,138.00)	0.00					1,500,138.00	
Draw	3/1/2016		(7,099.49)	0.00					1,507,237.49	
1	3/1/2016	1	0.00	7,099.49	0.00	0.00	0.00	7,099.49	1,507,237.49	0.00
Draw	3/14/2016		(149,519.70)	0.00					1,656,757.19	
Draw	3/15/2016		(33,562.00)	0.00					1,690,319.19	
Draw	4/1/2016		(8,157.43)	0.00					1,698,476.62	
2	4/1/2016	1	0.00	8,157.43	0.00	0.00	0.00	8,157.43	1,698,476.62	0.00
Draw	4/20/2016		(175,039.50)	0.00					1,873,516.12	
Draw	4/25/2016		(7,100.00)	0.00					1,880,616.12	
Draw	5/1/2016		(8,636.63)	0.00					1,889,252.75	
3	5/1/2016	1	0.00	8,636.63	0.00	0.00	0.00	8,636.63	1,889,252.75	0.00
Draw	5/24/2016		(174,813.74)	0.00					2,064,066.49	

Schedule for Existing Loan

Loan #: 225-01-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $3,400,000.00

Pmt	Due or Draw Date	Phase	Principal	Interest	Escrow	Service Fee	Late	Total Pmt	Unamortized Balance	Cum. Interest Deferred
Draw	6/1/2016		(9,786.08)	0.00					2,073,852.57	
4	6/1/2016	1	0.00	9,786.08	0.00	0.00	0.00	9,786.08	2,073,852.57	0.00
Draw	6/21/2016		(325,973.90)	0.00					2,399,826.47	
Draw	7/1/2016		(10,685.20)	0.00					2,410,511.67	
5	7/1/2016	1	0.00	10,685.20	0.00	0.00	0.00	10,685.20	2,410,511.67	0.00
Draw	7/27/2016		(197,821.50)	0.00					2,608,333.17	
Draw	8/1/2016		(12,356.23)	0.00					2,620,689.40	
6	8/1/2016	1	0.00	12,356.23	0.00	0.00	0.00	12,356.23	2,620,689.40	0.00
Draw	8/29/2016		(230,219.70)	0.00					2,850,909.10	
Draw	9/1/2016		(13,370.79)	0.00					2,864,279.89	
7	9/1/2016	1	0.00	13,370.79	0.00	0.00	0.00	13,370.79	2,864,279.89	0.00
Draw	10/1/2016		(14,022.90)	0.00					2,878,302.79	
8	10/1/2016	1	0.00	14,022.90	0.00	0.00	0.00	14,022.90	2,878,302.79	0.00
Draw	11/1/2016		(14,561.32)	0.00					2,892,864.11	
9	11/1/2016	1	0.00	14,561.32	0.00	0.00	0.00	14,561.32	2,892,864.11	0.00
Draw	11/9/2016		(203,770.00)	0.00					3,096,634.11	

Schedule for Existing Loan

Loan #: 225-01-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $3,400,000.00

Pmt	Due or Draw Date	Phase	Principal	Interest	Escrow	Service Fee	Late	Total Pmt	Unamortized Balance	Cum. Interest Deferred
Draw	12/1/2016		(14,894.50)	0.00					3,111,528.61	
10	12/1/2016	1	0.00	14,894.50	0.00	0.00	0.00	14,894.50	3,111,528.61	0.00
Draw	12/16/2016		(3,188.00)	0.00					3,114,716.61	
	Due in 2016		*0.00*	*113,570.57*	*0.00*	*0.00*	*0.00*	*113,570.57*		
Draw	1/1/2017		(15,749.50)	0.00					3,130,466.11	
11	1/1/2017	1	0.00	15,749.50	0.00	0.00	0.00	15,749.50	3,130,466.11	0.00
Draw	2/1/2017		(15,836.97)	0.00					3,146,303.08	
12	2/1/2017	1	0.00	15,836.97	0.00	0.00	0.00	15,836.97	3,146,303.08	0.00
Draw	2/2/2017		(51,420.30)	0.00					3,197,723.38	
Draw	3/1/2017		(14,603.41)	0.00					3,212,326.79	
13	3/1/2017	1	0.00	14,603.41	0.00	0.00	0.00	14,603.41	3,212,326.79	0.00
Draw	4/1/2017		(16,251.13)	0.00					3,228,577.92	
14	4/1/2017	1	0.00	16,251.13	0.00	0.00	0.00	16,251.13	3,228,577.92	0.00
Draw	5/1/2017		(15,806.70)	0.00					3,244,384.62	
15	5/1/2017	1	0.00	15,806.70	0.00	0.00	0.00	15,806.70	3,244,384.62	0.00
Draw	6/1/2017		(8,181.72)	0.00					3,252,566.34	

Schedule for Existing Loan

Loan #: 225-01-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $3,400,000.00

Pmt	Due or Draw Date	Phase	Principal	Interest	Escrow	Service Fee	Late	Total Pmt	Unamortized Balance	Cum. Interest Deferred
16	6/1/2017	1	0.00	16,413.57	0.00	0.00	0.00	16,413.57	3,252,566.34	0.00
17	7/1/2017	1	0.00	15,924.00	0.00	0.00	0.00	15,924.00	3,252,566.34	0.00
18	8/1/2017	1	0.00	16,454.80	0.00	0.00	0.00	16,454.80	3,252,566.34	0.00
19	9/1/2017	1	0.00	16,454.80	0.00	0.00	0.00	16,454.80	3,252,566.34	0.00
20	10/1/2017	1	0.00	15,924.00	0.00	0.00	0.00	15,924.00	3,252,566.34	0.00
21	11/1/2017	1	0.00	16,454.80	0.00	0.00	0.00	16,454.80	3,252,566.34	0.00
22	12/1/2017	1	0.00	15,924.00	0.00	0.00	0.00	15,924.00	3,252,566.34	0.00
	Due in 2017		*0.00*	*191,797.68*	*0.00*	*0.00*	*0.00*	*191,797.68*		
23	1/1/2018	1	0.00	16,454.80	0.00	0.00	0.00	16,454.80	3,252,566.34	0.00
24	2/1/2018	1	0.00	16,454.80	0.00	0.00	0.00	16,454.80	3,252,566.34	0.00
25	3/1/2018	2	5,723.17	15,924.02	0.00	0.00	0.00	21,647.19	3,246,843.17	0.00
26	4/1/2018	2	5,751.19	15,896.00	0.00	0.00	0.00	21,647.19	3,241,091.98	0.00
27	5/1/2018	2	5,779.34	15,867.85	0.00	0.00	0.00	21,647.19	3,235,312.64	0.00
28	6/1/2018	2	5,807.64	15,839.55	0.00	0.00	0.00	21,647.19	3,229,505.00	0.00
29	7/1/2018	2	5,836.07	15,811.12	0.00	0.00	0.00	21,647.19	3,223,668.93	0.00

Schedule for Existing Loan

Loan #: 225-01-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $3,400,000.00

Pmt	Due or Draw Date	Phase	Principal	Interest	Escrow	Service Fee	Late	Total Pmt	Unamortized Balance	Cum. Interest Deferred
30	8/1/2018	2	5,864.64	15,782.55	0.00	0.00	0.00	21,647.19	3,217,804.29	0.00
31	9/1/2018	2	5,893.36	15,753.83	0.00	0.00	0.00	21,647.19	3,211,910.93	0.00
32	10/1/2018	2	5,922.21	15,724.98	0.00	0.00	0.00	21,647.19	3,205,988.72	0.00
33	11/1/2018	2	5,951.20	15,695.99	0.00	0.00	0.00	21,647.19	3,200,037.52	0.00
34	12/1/2018	2	5,980.34	15,666.85	0.00	0.00	0.00	21,647.19	3,194,057.18	0.00
	Due in 2018		*58,509.16*	*190,872.34*	*0.00*	*0.00*	*0.00*	*249,381.50*		
35	1/1/2019	2	6,009.62	15,637.57	0.00	0.00	0.00	21,647.19	3,188,047.56	0.00
36	2/1/2019	2	6,039.04	15,608.15	0.00	0.00	0.00	21,647.19	3,182,008.52	0.00
37	3/1/2019	2	6,068.61	15,578.58	0.00	0.00	0.00	21,647.19	3,175,939.91	0.00
38	4/1/2019	2	6,098.32	15,548.87	0.00	0.00	0.00	21,647.19	3,169,841.59	0.00
39	5/1/2019	2	6,128.17	15,519.02	0.00	0.00	0.00	21,647.19	3,163,713.42	0.00
40	6/1/2019	2	6,158.18	15,489.01	0.00	0.00	0.00	21,647.19	3,157,555.24	0.00
41	7/1/2019	2	6,188.33	15,458.86	0.00	0.00	0.00	21,647.19	3,151,366.91	0.00
42	8/1/2019	2	6,218.62	15,428.57	0.00	0.00	0.00	21,647.19	3,145,148.29	0.00

Schedule for Existing Loan

Loan #: 225-01-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $3,400,000.00

Pmt	Due or Draw Date	Phase	Principal	Interest	Escrow	Service Fee	Late	Total Pmt	Unamortized Balance	Cum. Interest Deferred
43	9/1/2019	2	6,249.07	15,398.12	0.00	0.00	0.00	21,647.19	3,138,899.22	0.00
44	10/1/2019	2	6,279.66	15,367.53	0.00	0.00	0.00	21,647.19	3,132,619.56	0.00
45	11/1/2019	2	6,310.41	15,336.78	0.00	0.00	0.00	21,647.19	3,126,309.15	0.00
46	12/1/2019	2	6,341.30	15,305.89	0.00	0.00	0.00	21,647.19	3,119,967.85	0.00
	Due in 2019		*74,089.33*	*185,676.95*	*0.00*	*0.00*	*0.00*	*259,766.28*		
47	1/1/2020	2	6,372.35	15,274.84	0.00	0.00	0.00	21,647.19	3,113,595.50	0.00
48	2/1/2020	2	6,403.55	15,243.64	0.00	0.00	0.00	21,647.19	3,107,191.95	0.00
49	3/1/2020	2	6,434.90	15,212.29	0.00	0.00	0.00	21,647.19	3,100,757.05	0.00
50	4/1/2020	2	6,466.40	15,180.79	0.00	0.00	0.00	21,647.19	3,094,290.65	0.00
51	5/1/2020	2	6,498.06	15,149.13	0.00	0.00	0.00	21,647.19	3,087,792.59	0.00
52	6/1/2020	2	6,529.87	15,117.32	0.00	0.00	0.00	21,647.19	3,081,262.72	0.00
53	7/1/2020	2	6,561.84	15,085.35	0.00	0.00	0.00	21,647.19	3,074,700.88	0.00
54	8/1/2020	2	6,593.97	15,053.22	0.00	0.00	0.00	21,647.19	3,068,106.91	0.00
55	9/1/2020	2	6,626.25	15,020.94	0.00	0.00	0.00	21,647.19	3,061,480.66	0.00
56	10/1/2020	2	6,658.69	14,988.50	0.00	0.00	0.00	21,647.19	3,054,821.97	0.00

Schedule for Existing Loan

Loan #: 225-01-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $3,400,000.00

Pmt	Due or Draw Date	Phase	Principal	Interest	Escrow	Service Fee	Late	Total Pmt	Unamortized Balance	Cum. Interest Deferred
57	11/1/2020	2	6,691.29	14,955.90	0.00	0.00	0.00	21,647.19	3,048,130.68	0.00
58	12/1/2020	2	6,724.05	14,923.14	0.00	0.00	0.00	21,647.19	3,041,406.63	0.00
	Due in 2020		*78,561.22*	*181,205.06*	*0.00*	*0.00*	*0.00*	*259,766.28*		
59	1/1/2021	2	6,756.97	14,890.22	0.00	0.00	0.00	21,647.19	3,034,649.66	0.00
60	2/1/2021	2	6,790.05	14,857.14	0.00	0.00	0.00	21,647.19	3,027,859.61	0.00
61	3/1/2021	2	6,823.29	14,823.90	0.00	0.00	0.00	21,647.19	3,021,036.32	0.00
62	4/1/2021	2	6,856.70	14,790.49	0.00	0.00	0.00	21,647.19	3,014,179.62	0.00
63	5/1/2021	2	6,890.27	14,756.92	0.00	0.00	0.00	21,647.19	3,007,289.35	0.00
64	6/1/2021	2	6,924.00	14,723.19	0.00	0.00	0.00	21,647.19	3,000,365.35	0.00
65	7/1/2021	2	6,957.90	14,689.29	0.00	0.00	0.00	21,647.19	2,993,407.45	0.00
66	8/1/2021	2	6,991.97	14,655.22	0.00	0.00	0.00	21,647.19	2,986,415.48	0.00
67	9/1/2021	2	7,026.20	14,620.99	0.00	0.00	0.00	21,647.19	2,979,389.28	0.00
68	10/1/2021	2	7,060.60	14,586.59	0.00	0.00	0.00	21,647.19	2,972,328.68	0.00
69	11/1/2021	2	7,095.16	14,552.03	0.00	0.00	0.00	21,647.19	2,965,233.52	0.00
70	12/1/2021	2	7,129.90	14,517.29	0.00	0.00	0.00	21,647.19	2,958,103.62	0.00

Schedule for Existing Loan

Loan #: 225-01-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $3,400,000.00

Pmt	Due or Draw Date	Phase	Principal	Interest	Escrow	Service Fee	Late	Total Pmt	Unamortized Balance	Cum. Interest Deferred
	Due in 2021		*83,303.01*	*176,463.27*	*0.00*	*0.00*	*0.00*	*259,766.28*		
71	1/1/2022	2	7,164.81	14,482.38	0.00	0.00	0.00	21,647.19	2,950,938.81	0.00
72	2/1/2022	2	7,199.89	14,447.30	0.00	0.00	0.00	21,647.19	2,943,738.92	0.00
73	3/1/2022	2	7,235.13	14,412.06	0.00	0.00	0.00	21,647.19	2,936,503.79	0.00
74	4/1/2022	2	7,270.56	14,376.63	0.00	0.00	0.00	21,647.19	2,929,233.23	0.00
75	5/1/2022	2	7,306.15	14,341.04	0.00	0.00	0.00	21,647.19	2,921,927.08	0.00
76	6/1/2022	2	7,341.92	14,305.27	0.00	0.00	0.00	21,647.19	2,914,585.16	0.00
77	7/1/2022	2	7,377.87	14,269.32	0.00	0.00	0.00	21,647.19	2,907,207.29	0.00
78	8/1/2022	2	7,413.99	14,233.20	0.00	0.00	0.00	21,647.19	2,899,793.30	0.00
79	9/1/2022	2	7,450.29	14,196.90	0.00	0.00	0.00	21,647.19	2,892,343.01	0.00
80	10/1/2022	2	7,486.76	14,160.43	0.00	0.00	0.00	21,647.19	2,884,856.25	0.00
81	11/1/2022	2	7,523.41	14,123.78	0.00	0.00	0.00	21,647.19	2,877,332.84	0.00
82	12/1/2022	2	7,560.25	14,086.94	0.00	0.00	0.00	21,647.19	2,869,772.59	0.00
	Due in 2022		*88,331.03*	*171,435.25*	*0.00*	*0.00*	*0.00*	*259,766.28*		

Schedule for Existing Loan

Loan #: 225-01-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $3,400,000.00

Pmt	Due or Draw Date	Phase	Principal	Interest	Escrow	Service Fee	Late	Total Pmt	Unamortized Balance	Cum. Interest Deferred
83	1/1/2023	2	7,597.26	14,049.93	0.00	0.00	0.00	21,647.19	2,862,175.33	0.00
84	2/1/2023	2	2,862,175.33	14,012.73	0.00	0.00	0.00	2,876,188.06	0.00	
	Due in 2023		*2,869,772.59*	*28,062.66*	*0.00*	*0.00*	*0.00*	*2,897,835.25*		
	Total:		3,252,566.34	1,239,083.78	0.00	0.00	0.00	4,491,650.12		

End of Report Processing at: 6/8/2017 2:24:20 PM

Schedule for Existing Loan

Loan #: 225-02-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $475,000.00

Phases: 1. Due 4/1/2017 for 12 Months, Construction Interest at 6.%, 360 day year
2. Due 4/1/2018 for 73 Months, Typ P+I $7,872.12, Traditional Mortgage: Constant Payment at 6.%

- Due dates already satisfied show actual amounts received.
- Any due dates now delinquent show amounts as they would be satisfied if posted today.
- Future unsatisfied due dates show amounts as if payment will be received exactly on the due dates.

Pmt #	Due or Draw Date	Phase #	Principal	Interest	Escrow	Service Fee	Late Fee	Total Pmt	Unamortized Balance	Cum. Interest Deferred
Draw	3/14/2017		(14,663.50)	0.00					14,663.50	
Draw	4/1/2017		(43.92)	0.00					14,707.42	
1	4/1/2017	1	0.00	43.92	0.00	0.00	0.00	43.92	14,707.42	0.00
Draw	4/26/2017		(81,701.10)	0.00					96,408.52	
Draw	5/1/2017		(141.60)	0.00					96,550.12	
2	5/1/2017	1	0.00	141.60	0.00	0.00	0.00	141.60	96,550.12	0.00
Draw	5/31/2017		(129,170.80)	0.00					225,720.92	
Draw	6/1/2017		(520.32)	0.00					226,241.24	
3	6/1/2017	1	0.00	520.32	0.00	0.00	0.00	520.32	226,241.24	0.00
Draw	7/1/2017		(1,131.30)	0.00					227,372.54	
4	7/1/2017	1	0.00	1,131.30	0.00	0.00	0.00	1,131.30	227,372.54	0.00
Draw	8/1/2017		(1,174.90)	0.00					228,547.44	
5	8/1/2017	1	0.00	1,174.90	0.00	0.00	0.00	1,174.90	228,547.44	0.00

Schedule for Existing Loan

Loan #: 225-02-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $475,000.00

Pmt #	Due or Draw Date	Phase #	Principal	Interest	Escrow	Service Fee	Late Fee	Total Pmt	Unamortized Balance	Cum. Interest Deferred
Draw	8/4/2017		(125,035.26)	0.00					353,582.70	
Draw	8/18/2017		(72,536.60)	0.00					426,119.30	
Draw	9/1/2017		(1,933.57)	0.00					428,052.87	
6	9/1/2017	1	0.00	1,933.57	0.00	0.00	0.00	1,933.57	428,052.87	0.00
Draw	10/1/2017		(2,140.20)	0.00					430,193.07	
7	10/1/2017	1	0.00	2,140.20	0.00	0.00	0.00	2,140.20	430,193.07	0.00
Draw	11/1/2017		(2,222.70)	0.00					432,415.77	
8	11/1/2017	1	0.00	2,222.70	0.00	0.00	0.00	2,222.70	432,415.77	0.00
Draw	12/1/2017		(2,162.10)	0.00					434,577.87	
9	12/1/2017	1	0.00	2,162.10	0.00	0.00	0.00	2,162.10	434,577.87	0.00
	Due in 2017		*0.00*	*11,470.61*	*0.00*	*0.00*	*0.00*	*11,470.61*		
Draw	1/1/2018		(2,245.33)	0.00					436,823.20	
10	1/1/2018	1	0.00	2,245.33	0.00	0.00	0.00	2,245.33	436,823.20	0.00
11	2/1/2018	1	0.00	2,256.80	0.00	0.00	0.00	2,256.80	436,823.20	0.00
12	3/1/2018	1	0.00	2,038.40	0.00	0.00	0.00	2,038.40	436,823.20	0.00

Schedule for Existing Loan

Loan #: 225-02-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $475,000.00

Pmt #	Due or Draw Date	Phase #	Principal	Interest	Escrow	Service Fee	Late Fee	Total Pmt	Unamortized Balance	Cum. Interest Deferred
13	4/1/2018	2	5,688.00	2,184.12	0.00	0.00	0.00	7,872.12	431,135.20	0.00
14	5/1/2018	2	5,716.44	2,155.68	0.00	0.00	0.00	7,872.12	425,418.76	0.00
15	6/1/2018	2	5,745.03	2,127.09	0.00	0.00	0.00	7,872.12	419,673.73	0.00
16	7/1/2018	2	5,773.75	2,098.37	0.00	0.00	0.00	7,872.12	413,899.98	0.00
17	8/1/2018	2	5,802.62	2,069.50	0.00	0.00	0.00	7,872.12	408,097.36	0.00
18	9/1/2018	2	5,831.63	2,040.49	0.00	0.00	0.00	7,872.12	402,265.73	0.00
19	10/1/2018	2	5,860.79	2,011.33	0.00	0.00	0.00	7,872.12	396,404.94	0.00
20	11/1/2018	2	5,890.10	1,982.02	0.00	0.00	0.00	7,872.12	390,514.84	0.00
21	12/1/2018	2	5,919.55	1,952.57	0.00	0.00	0.00	7,872.12	384,595.29	0.00
	Due in 2018		*52,227.91*	*25,161.70*	*0.00*	*0.00*	*0.00*	*77,389.61*		
22	1/1/2019	2	5,949.14	1,922.98	0.00	0.00	0.00	7,872.12	378,646.15	0.00
23	2/1/2019	2	5,978.89	1,893.23	0.00	0.00	0.00	7,872.12	372,667.26	0.00
24	3/1/2019	2	6,008.78	1,863.34	0.00	0.00	0.00	7,872.12	366,658.48	0.00
25	4/1/2019	2	6,038.83	1,833.29	0.00	0.00	0.00	7,872.12	360,619.65	0.00
26	5/1/2019	2	6,069.02	1,803.10	0.00	0.00	0.00	7,872.12	354,550.63	0.00

Schedule for Existing Loan

Loan #: 225-02-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $475,000.00

Pmt #	Due or Draw Date	Phase #	Principal	Interest	Escrow	Service Fee	Late Fee	Total Pmt	Unamortized Balance	Cum. Interest Deferred
27	6/1/2019	2	6,099.37	1,772.75	0.00	0.00	0.00	7,872.12	348,451.26	0.00
28	7/1/2019	2	6,129.86	1,742.26	0.00	0.00	0.00	7,872.12	342,321.40	0.00
29	8/1/2019	2	6,160.51	1,711.61	0.00	0.00	0.00	7,872.12	336,160.89	0.00
30	9/1/2019	2	6,191.32	1,680.80	0.00	0.00	0.00	7,872.12	329,969.57	0.00
31	10/1/2019	2	6,222.27	1,649.85	0.00	0.00	0.00	7,872.12	323,747.30	0.00
32	11/1/2019	2	6,253.38	1,618.74	0.00	0.00	0.00	7,872.12	317,493.92	0.00
33	12/1/2019	2	6,284.65	1,587.47	0.00	0.00	0.00	7,872.12	311,209.27	0.00
	Due in 2019		*73,386.02*	*21,079.42*	*0.00*	*0.00*	*0.00*	*94,465.44*		
34	1/1/2020	2	6,316.07	1,556.05	0.00	0.00	0.00	7,872.12	304,893.20	0.00
35	2/1/2020	2	6,347.65	1,524.47	0.00	0.00	0.00	7,872.12	298,545.55	0.00
36	3/1/2020	2	6,379.39	1,492.73	0.00	0.00	0.00	7,872.12	292,166.16	0.00
37	4/1/2020	2	6,411.29	1,460.83	0.00	0.00	0.00	7,872.12	285,754.87	0.00
38	5/1/2020	2	6,443.35	1,428.77	0.00	0.00	0.00	7,872.12	279,311.52	0.00
39	6/1/2020	2	6,475.56	1,396.56	0.00	0.00	0.00	7,872.12	272,835.96	0.00
40	7/1/2020	2	6,507.94	1,364.18	0.00	0.00	0.00	7,872.12	266,328.02	0.00

Schedule for Existing Loan

Loan #: 225-02-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $475,000.00

Pmt #	Due or Draw Date	Phase #	Principal	Interest	Escrow	Service Fee	Late Fee	Total Pmt	Unamortized Balance	Cum. Interest Deferred
41	8/1/2020	2	6,540.48	1,331.64	0.00	0.00	0.00	7,872.12	259,787.54	0.00
42	9/1/2020	2	6,573.18	1,298.94	0.00	0.00	0.00	7,872.12	253,214.36	0.00
43	10/1/2020	2	6,606.05	1,266.07	0.00	0.00	0.00	7,872.12	246,608.31	0.00
44	11/1/2020	2	6,639.08	1,233.04	0.00	0.00	0.00	7,872.12	239,969.23	0.00
45	12/1/2020	2	6,672.27	1,199.85	0.00	0.00	0.00	7,872.12	233,296.96	0.00
	Due in 2020		*77,912.31*	*16,553.13*	*0.00*	*0.00*	*0.00*	*94,465.44*		
46	1/1/2021	2	6,705.64	1,166.48	0.00	0.00	0.00	7,872.12	226,591.32	0.00
47	2/1/2021	2	6,739.16	1,132.96	0.00	0.00	0.00	7,872.12	219,852.16	0.00
48	3/1/2021	2	6,772.86	1,099.26	0.00	0.00	0.00	7,872.12	213,079.30	0.00
49	4/1/2021	2	6,806.72	1,065.40	0.00	0.00	0.00	7,872.12	206,272.58	0.00
50	5/1/2021	2	6,840.76	1,031.36	0.00	0.00	0.00	7,872.12	199,431.82	0.00
51	6/1/2021	2	6,874.96	997.16	0.00	0.00	0.00	7,872.12	192,556.86	0.00
52	7/1/2021	2	6,909.34	962.78	0.00	0.00	0.00	7,872.12	185,647.52	0.00
53	8/1/2021	2	6,943.88	928.24	0.00	0.00	0.00	7,872.12	178,703.64	0.00

Schedule for Existing Loan

Loan #: 225-02-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $475,000.00

Pmt #	Due or Draw Date	Phase #	Principal	Interest	Escrow	Service Fee	Late Fee	Total Pmt	Unamortized Balance	Cum. Interest Deferred
54	9/1/2021	2	6,978.60	893.52	0.00	0.00	0.00	7,872.12	171,725.04	0.00
55	10/1/2021	2	7,013.49	858.63	0.00	0.00	0.00	7,872.12	164,711.55	0.00
56	11/1/2021	2	7,048.56	823.56	0.00	0.00	0.00	7,872.12	157,662.99	0.00
57	12/1/2021	2	7,083.81	788.31	0.00	0.00	0.00	7,872.12	150,579.18	0.00
	Due in 2021		*82,717.78*	*11,747.66*	*0.00*	*0.00*	*0.00*	*94,465.44*		
58	1/1/2022	2	7,119.22	752.90	0.00	0.00	0.00	7,872.12	143,459.96	0.00
59	2/1/2022	2	7,154.82	717.30	0.00	0.00	0.00	7,872.12	136,305.14	0.00
60	3/1/2022	2	7,190.59	681.53	0.00	0.00	0.00	7,872.12	129,114.55	0.00
61	4/1/2022	2	7,226.55	645.57	0.00	0.00	0.00	7,872.12	121,888.00	0.00
62	5/1/2022	2	7,262.68	609.44	0.00	0.00	0.00	7,872.12	114,625.32	0.00
63	6/1/2022	2	7,298.99	573.13	0.00	0.00	0.00	7,872.12	107,326.33	0.00
64	7/1/2022	2	7,335.49	536.63	0.00	0.00	0.00	7,872.12	99,990.84	0.00
65	8/1/2022	2	7,372.17	499.95	0.00	0.00	0.00	7,872.12	92,618.67	0.00
66	9/1/2022	2	7,409.03	463.09	0.00	0.00	0.00	7,872.12	85,209.64	0.00
67	10/1/2022	2	7,446.07	426.05	0.00	0.00	0.00	7,872.12	77,763.57	0.00

Schedule for Existing Loan

Loan #: 225-02-01 Client: Vista College Preparatory, Inc Corp: 1001 Apprv. Loan Amount: $475,000.00

Pmt #	Due or Draw Date	Phase #	Principal	Interest	Escrow	Service Fee	Late Fee	Total Pmt	Unamortized Balance	Cum. Interest Deferred
68	11/1/2022	2	7,483.30	388.82	0.00	0.00	0.00	7,872.12	70,280.27	0.00
69	12/1/2022	2	7,520.72	351.40	0.00	0.00	0.00	7,872.12	62,759.55	0.00
	Due in 2022		*87,819.63*	*6,645.81*	*0.00*	*0.00*	*0.00*	*94,465.44*		
70	1/1/2023	2	7,558.32	313.80	0.00	0.00	0.00	7,872.12	55,201.23	0.00
71	2/1/2023	2	7,596.11	276.01	0.00	0.00	0.00	7,872.12	47,605.12	0.00
72	3/1/2023	2	7,634.09	238.03	0.00	0.00	0.00	7,872.12	39,971.03	0.00
73	4/1/2023	2	7,672.26	199.86	0.00	0.00	0.00	7,872.12	32,298.77	0.00
74	5/1/2023	2	7,710.63	161.49	0.00	0.00	0.00	7,872.12	24,588.14	0.00
75	6/1/2023	2	7,749.18	122.94	0.00	0.00	0.00	7,872.12	16,838.96	0.00
76	7/1/2023	2	7,787.93	84.19	0.00	0.00	0.00	7,872.12	9,051.03	0.00
77	8/1/2023	2	7,826.86	45.26	0.00	0.00	0.00	7,872.12	1,224.17	0.00
78	9/1/2023	2	1,224.17	6.12	0.00	0.00	0.00	1,230.29	0.00	
	Due in 2023		*62,759.55*	*1,447.70*	*0.00*	*0.00*	*0.00*	*64,207.25*		
	Total:		436,823.20	94,106.03	0.00	0.00	0.00	530,929.23		

Schedule for Existing Loan

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Charter School Academic Outcomes and Operations

For a charter Achievement District School's demonstrated experience in operating and managing charter public schools with high academic outcomes for at least two consecutive years, as required by A.R.S. 15-2155(B)(3), please provide a narrative history covering at least the two most recent years of the Applicant's historical academic outcomes and operations.

In its five years of operation, Vista College Prep has grown from serving 60 students in its inaugural year to nearly 400 students across two campuses. Vista College Prep opens schools using a slow-growth model, ensuring academic and operational success is not lost with scale. Its founding campus, VCP-Hadley, now serves students kindergarten through fifth grade. In August 2017, VCP opened its second campus, Vista College Prep-Maryvale, serving students kindergarten through second grade. At capacity, VCP-Hadley and VCP-Maryvale combined will serve over 1,000 students kindergarten through fifth grade in the Phoenix area. VCP will open its middle school with its inaugural sixth grade class in August of 2018. Therefore at capacity, VCP's elementary and middle schools will serve 1,377 students.

Vista College Prep opened in August 2013 with just kindergarten and first grade. Our first graders came to us almost three grade levels behind – some still struggling with their letters and numbers. Just two years later, this same group of students, now third graders, took the AzMERIT and outperformed the state average by 24% in math and 56% in reading. Among schools where over 90% of students qualified for free and reduced price lunch, VCP scholars had the highest literacy score in the state. We now have two years of testing data, and while we are incredibly proud of the fact that our students dramatically outperformed all low-income schools in Phoenix, we are very pleased to share that among all schools, district and charter, including high income schools, our students scored in the top 6% for literacy, and in the top 11% for math. In addition, this past year Vista College Prep third graders - the first group of students to have been with us since kindergarten - scored in the top 3.5% in math and top 5% in literacy. Please reference the tables below for detailed information about the academic performance of VCP students on the AzMERIT for the previous two testing years.

Table 1: AzMERIT Proficiency of Economically Disadvantaged Students 2015-16

Grade	*Math*				*Reading*			
	Disadvantaged		*All Students*		*Disadvantaged*		*All Students*	
	AZ	VCP	AZ	VCP	AZ	VCP	AZ	VCP
3rd Grade	**34%**	**56%**	**46%**	**56%**	**29%**	**64%**	**41%**	**64%**

Table 2: AzMERIT Proficiency of Economically Disadvantaged Students 2016-17

Grade	*Math*				*Reading*			
	Disadvantaged		*All Students*		*Disadvantaged*		*All Students*	
	AZ	VCP	AZ	VCP	AZ	VCP	AZ	VCP
3rd Grade	**36%**	**79%**	**47%**	**82%**	**32%**	**76%**	**44%**	**75%**
4th Grade	**36%**	**59%**	**47%**	**51%**	**36%**	**79%**	**49%**	**71%**

Personal Benefit Disclosure

For charter public school applicants, please disclose whether any personal benefit will inure to any employee of the School or school operator or an immediate relative, including a parent, spouse, sibling or child, of any such employee or operator.

No personal benefit will inure to any employee of Vista College Preparatory or the school operator or an immediate relative, including a parent, spouse, sibling or child, of any such employee or operator.

Financial Timeline

For information regarding the proposed Guaranteed Financing, please provide the following information: the planned timing of such financing, a schedule of estimated sources and uses of funds for such financing, the expected principal and interest payment dates and amounts by payment date for such financing, plans for funding reserves (if any), a description of the security for the proposed financing, and a list of the members of the applicant's financing team.

VCP will be seeking approval for Guaranteed Financing at the Credit Enhancement Board's June 21, 2018 meeting. Bonds will be offered and underwritten by RBC Capital for an amount not to exceed $12 million. A more detailed timeline is included below and a schedule will be provided at closing.

RBC Capital Markets®

RBC Capital Markets
2398 East Camelback Road
Suite 700
Phoenix, AZ 85016

INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF PHOENIX, ARIZONA
EDUCATION REVENUE BONDS
(VISTA COLLEGE PREP PROJECTS)
SERIES 2018A & 2018B

PRELIMINARY FINANCING TIMETABLE

May 2018

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June 2018

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

July 2018

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August 2018

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September 2018

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

DATE	EVENT	RESPONSIBLE PARTY
Month of May/June	Due Diligence Collection & Distribution	VCP & LR
Weekly Tuesday @ 9am	Financing Team Coordination Call (800-305-1457 / Passcode: 3815361#)	All Parties
Week of May 21	Credit Enhancement Board (CEB) Application Due	VCP & LR
Monday, May 28	Revised Bond Documents and 1st Draft of Offering Memorandum (OM) & Appendix A Distributed	GT & LR
Thursday, May 31	Submittal of Application, Bond Resolution to Issuer	GT & LR
Monday, June 11	Comments Due on Draft Bond & Offering Documents	ALL
Thursday, June 14	Issuer Board Meeting (Final Approval)	VCP, PHXIDA, LR & RBC
Friday, June 15	Revised Draft of Bond and Offering Document Distributed	GT & LR
Thursday, June 21	Arizona CEB Meeting to Consider Enhancement Award	VCP, LR & RBC
Tuesday, June 26	Submittal of Bond Documents, OM to S&P	RBC
Wednesday, June 27	Comments Due on Revised Bond Documents, OM & Appendix A	ALL
Month of July	S&P Meeting (TBD)	VCP, RBC & RA

DATE	EVENT	RESPONSIBLE PARTY
Thursday, July 5	Phoenix City Council Approval	VCP, LR, RBC
Tuesday, July 10	Final Drafts of Bond Documents, POS & Appendix A Distributed	GT & LR
Friday, July 13	Disclosure Review Call	ALL
Tuesday, July 17	Final Comments Due on Drafts of Bond Documents, OM & Appendix A	ALL
Month of August	Document Revisions to Reflect Tax Credit Terms	All
Wednesday, August 1	Receipt of Credit Rating	VCP, RBC & S&P
Wednesday, August 1	Tax Credit Commitment Deadline	VCP
Weeks of September 3 & 10	Pre-Market Bonds to Potential Investors / Possible Investor Site Visits/Conference Call	RBC
Wednesday, September 5	Print & Distribute OM	GT & RBC
Wednesday, September 19	Set Interest Rate, Secure Investor Orders & Execute Bond Purchase Agreement	VCP & RBC
Monday, September 24	Print Final Limited Offering Memorandum	GT & RBC
Wednesday, September 26	Close Bonds and Delivery of Proceeds	ALL

PARICIPTANTS

Borrower	Vista College Prep	VCP
Borrower's Counsel	Lewis & Roca	LR
Underwriter	RBC Capital Markets	RBC
Underwriter's Counsel	Ballard Spahr	UWC
Bond & Disclosure Counsel	Greenberg Truarig	GT
Issuer	Phoenix IDA	PHXIDA
Issuer's Counsel	Kutak Rock	IC
Trustee	TBD	T
Rating Agency	Standard & Poor's	S&P

Use of Guaranteed Financing

For information regarding the proposed Guaranteed Financing, please provide a description of what the Guaranteed Financing will be used for, a description of how the Guaranteed Financing will reduce or impact the applicant the Applicant's enrollment demand, whether the Guaranteed Financing will be a refinance of existing debt obligations, and if so, the estimated savings of the refinance and how the Applicant proposes to spend the monies saved as a result of the refinance. For new construction or expansion projects that will be funded by the proposed financing or by savings from refinancing, please provide a breakdown of the total project cost.

Vista College Prep is concurrently pursuing two financing scenarios to refinance existing debt and expand seats at its Maryvale campus. Both options, aided through Guaranteed Financing, provide a stronger option than traditional financing, facilitating future growth and additional added seats. Each option is outlined below as well as descriptions of how guaranteed financing would impact enrollment demand and how savings from the refinancing of existing debt would be used. VCP is requesting, on a not to exceed basis, approval for $12 million of Guaranteed Financing. This amount is higher than that described in the scenarios table below to account for contingency, bond premiums, and bond market pricing variances.

Option 1: NMTCs with Arizona Credit Enhancement Board Guaranteed Financing

VCP is pursuing New Markets Tax Credits (NMTCs) to finance construction of the expansion of VCP-Maryvale, which will add 440 seats. Financing this project through NMTCs yields a significant savings to the school. In fact, if the school were to secure NMTCs, Vista College Prep would see a savings of over $2,000,000 over the life of the bonds. Therefore, VCP is requesting approval for (1) up to $4.8 million in enhanced bonds to serve as the leverage loan into the New Markets structure (providing for the development cost of the new facilities in Maryvale), and (2) an additional $3.9 million in enhanced bonds to refinance VCP's existing debt ($3.4 million for VCP-Hadley and $500,000 for Phase I of VCP-Maryvale). The portion of the enhanced bonds that is expected to be used to fund the leverage loan (as noted in (1) above) may be issued as tax-exempt or taxable (subject to final tax counsel review).

Option 2: All Arizona Credit Enhancement Board Guaranteed Financing

Option 1 (described above) hinges on VCP receiving an NMTCs allocation in a timeframe (no later than August 1, 2018) that permits a deal to close and for construction to be completed by school opening in August 2019. Therefore, in the event VCP is unable to secure an NMTC allocation in the aforementioned timeframe, VCP would finance 100% of the construction of the Project and refinance existing debt through Guaranteed Financing. If this were to occur, VCP would expect to issue a Guaranteed Financing to fund the entire estimated Project, refinancing, required reserve and transaction costs budget of approximately $10.5 million. The difference in the sums of the bonds in Option 1 and the bonds described in Option 2 can be attributed to NMTC equity and differences in related fees.

Guaranteed Financing Use and Impact on Enrollment Demand

Proceeds from Guaranteed Financing will also be used to finance the construction of Phase II of VCP-Maryvale. As detailed throughout this application, VCP-Maryvale will ultimately serve 528 students. Phase II of VCP-Maryvale consists of new construction of an approximately 35,000 ft^2 expansion of VCP-Maryvale, increasing VCP-Maryvale's capacity by 440 students. The Project will

have 22 state-of-the-art classrooms including dedicated science and extra-curricular classrooms, a library, office space for administration and teaching staff, a gymnasium, and outdoor spaces for recreation and community gatherings. Currently, VCP-Maryvale operates in a recently renovated facility, however at just 8,432 ft^2, this facility cannot accommodate the 528 students VCP-Maryvale will ultimately serve. Phase II will be built on an adjacent lot to the current facility.

Refinance of Existing Debt Savings and Use

In addition to financing the construction of VCP-Maryvale Phase II, Vista College Prep will be refinancing approximately $3.9 million in existing debt. Of this debt, $3.4 million is related to VCP-Hadley and $500,000 is related to Phase I of VCP-Maryvale. If the school were to refinance through traditional financing, we estimate the total debt service to be $8.5 million over the life of the loan. If the school were to refinance through the issuance of a Guaranteed Financing, we estimate the total debt service to be $7.5 million. This is a savings of $1 million over the life of the loan. On an annual basis, VCP would realize a savings of over $33,000. These savings will allow for additional investments in staffing, professional development, and instructional resources.

Financed Projects by Vista College Preparatory

Vista College Preparatory	
Proposed Projects	
Construction of a 22 classroom facility and gymnasium (VCP-Maryvale)	5,000,000
Financing Costs & Reserves	
Refinancing of current RAZA loan (VCP-Hadley)	3,400,000
Refinancing of current RAZA loan (VCP-Maryvale)	500,000
Capitalized Interest	526,516
Debt reserve fund on new issuance	601,500
Bond Costs	465,496
Additional Proceeds	3,757
Total amount financed	**10,497,269**

Collateral Property Identification

For identification of any property being pledged as collateral, as required by A.R.S. 15-2155(B)(6), please disclose whether any property to be financed and secured by a Guaranteed Financing will be owned or leased by the Applicant or, for charter public schools, the Applicant or its charter holder. Real property being pledged as collateral shall be identified by physical address, and a copy of an independent appraisal of the property that reflects current valuation within ninety (90) days of submission, please not that if your application is approved you must provide a copy of the lease for any leased collateral real property to the Board no less than thirty (30) calendar days and not more than sixty (60) calendar days before the issuance of the Guaranteed Financing.

Vista College Prep operates two schools, VCP-Hadley and VCP-Maryvale. VCP-Hadley operates out of two facilities, located at 812 and 902 S. 6th Ave, Phoenix, AZ 85003, with a fee simple interest structure. VCP-Maryvale currently operates out of a single facility located at 4520 W. McDowell Rd with a leasehold interest. It also has a ground lease interest in the adjacent land at the 4520 W. McDowell location, pursuant to which it will construct and own a second facility at that location (i.e., impacted land will be leased, and the new building will be owned).

Year	Network Total	Hadley	Maryvale	Notes
Fall 2013 - Fall 2014	3/4	75%	N/A	
Fall 2014 - Fall 2015	7/7	100%	N/A	
Fall 2015 - Fall 2016	9/10	90%	N/A	The one teacher that left returned after moving out of state for one year.
Fall 2016 - Fall 2017	11/15	73%	N/A	Three of the four that left moved out of state for life/family reasons.
Fall 2017 - Fall 2018	18/22	82% (anticipated)	100% (anticipated)	
Average Retention	**81% (47/58)**	**81.5% (44/54)**	**100%**	

Parent Survey Results

Pursuant to A.R.S. 15-2155(B)(7), please provide the results from the immediate prior two years of any parent and/or teacher satisfaction surveys conducted by the Applicant.

Parent surveys are distributed at parent-teacher conferences each year. Since its founding, VCP has averaged nearly 100% attendance at parent-teacher conferences. Surveys are provided in both English and Spanish.

Parent Survey Results, Fall 2017

- 90% of parents were "Very Satisfied" with the "Curriculum (what the school teaches)."
- 92% of parents were "Very Satisfied" with the "Individual attention by teachers."
- 90% of parents were "Very Satisfied" with "Class size."
- 90% of parents were "Very Satisfied" with the "People running the school."
- 75% of parents were "Very Satisfied" with the "Opportunities for parents to participate."
- 80% of parents were "Very Satisfied" with "How much the school expects of parents."
- 88% of parents were "Very Satisfied" with the "Quality of teaching."
- 86% of parents were "Very Satisfied" with "Computers and technology."
- 88% of parents were "Very Satisfied" with the "Accessibility and openness of staff and administration."
- 75% of parents were "Very Satisfied" with "School field trips."

Parent Survey Results, Spring 2018

- 98% of parents were "Very Satisfied" with the "Curriculum (what the school teaches)."
- 84% of parents were "Very Satisfied" with the "Individual attention by teachers."
- 88% of parents were "Very Satisfied" with "Class size."
- 90% of parents were "Very Satisfied" with the "People running the school."
- 77% of parents were "Very Satisfied" with the "Opportunities for parents to participate."
- 82% of parents were "Very Satisfied" with "How much the school expects of parents."
- 92% of parents were "Very Satisfied" with the "Quality of teaching."
- 86% of parents were "Very Satisfied" with "Computers and technology."
- 93% of parents were "Very Satisfied" with the "Accessibility and openness of staff and administration."
- 78% of parents were "Very Satisfied" with "School field trips."

In addition to the aforementioned, below are anecdotes from the narrative portion of Parent Surveys:

What has VCP done for your child(ren) that might not have happened at another public school in Phoenix?

- "Constantly reaching out to parents about their child's academic performance."
- "My child receives personal attention and I get a call if anything ever happens to her."
- "Vista is so focused on preparing kids for college."

- “Vista College Prep has given my scholar a renewed focus that she’d lost at her previous school. Also she has a sense of discipline that wasn’t present at the other school.”
- “Well structured educational program with discipline which made her well-spoken, positive individual that society needs more of.”
- “Acknowledged the very best in my child and strived to bring it out in her. I fear she would be “lost in the shuffle” at another public school.”