



March 01, 2026

Friends of St. Croix Preparatory Academy
4260 Stagecoach Trail North
Stillwater, MN 55082

Dear Ms. Fuchs,

Thank you for this opportunity to present our proposal for Business Management Services effective 4/01/2026.

Respectfully,

Todd R. Netzke
President

Enclosure

BUSINESS MANAGEMENT SERVICES PROPOSAL

For

Friends of St. Croix Preparatory Academy (FSCPA)

School Management Services, LLC (SMS), Minnesota's premier professional services provider of K12 business management solutions, is pleased to propose our services for professional business management and support services.

This recommendation and proposal include the following sections and documents:

1. Executive Summary:
 - Goals and benefits of SMS services
 - Scope of proposed services
 - Arrangements
2. Scope of Services and Responsibilities
3. Services Agreement and Signature Page

Executive Summary

Goals and benefits of SMS services

SMS goals and business strategy include the provision of innovative and cost-effective alternatives to public school districts' boards and superintendents and charter schools' boards, executive directors, and affiliated building corporations for school business management and related school business functions.

SMS leadership and line management team members are keenly aware of the changing dynamics of public school management in the broader context of public school funding and management strategy, and we are committed to continuously improve and expand SMS service offerings to meet the changing needs of Minnesota's public schools.

We respectfully suggest that the following features and components of our services result in important tangible and intangible benefits for our public school district and charter school clients, including a charter school's affiliated building corporation.

Confidence and peace of mind:

SMS client boards and superintendents and executive directors are assured in that:

- SMS work performed professionally, accurately and timely;
- Administration and Board will make confident decisions based on solid financial data for the benefit of all stakeholders.

Cost and time savings that enable boards and administration to operate efficiently and focus on your responsibilities:

SMS client boards and superintendents and executive directors are assured that having SMS on the team results in efficient operations and resource redundancy:

- SMS professional team members' core competencies are school business and finance;
- SMS understands the issues and can immediately and efficiently provide services;
- SMS continuously trains and develops our team members and have experienced resources in reserve to cover contingencies and emergencies;
- SMS employs best practices including latest technology;
- SMS will recommend and assist, if desired, with process improvement and business office structure
- SMS provides customized reporting at summary and detail levels to assist District Leaders, charter school leaders, and leaders of a charter school's affiliated building corporation in understanding the current and projected financial condition, thus allowing timely and appropriate action.

Compliance requirements are addressed efficiently and effectively:

SMS client boards and superintendents and executive directors are assured that having SMS on the team results in effective, efficient and comprehensive compliance planning and execution:

- SMS supports the annual audit process by providing accurate and timely data, supplementing district, charter school, and a charter school’s affiliated building corporation resources with additional SMS staff when desired and recommends and implements ideas that can reduce future audit costs.

In summary, the SMS team comprises more than 150 years of aggregate public school management experience. On engaging SMS, your district, charter school, or charter school’s affiliated building corporation will be supported by our growing, professional team.

Scope of Proposed Services

SMS agrees to provide to the Friends of St. Croix Preparatory Academy (FSCPA) Professional Business Management Services according to the job summary listed below.

SMS provides the FSCPA full flexibility to modify the assignment of responsibilities and to make appropriate revisions to SMS’ fees and expenses arrangements at the convenience of the FSCPA in accordance with the contractual provisions of the attached Services Agreement.

On-Site Presence:

Business Manager: primarily remote

	SMS	FSCPA
Management		
Provide and assist with Administrative Leadership	50%	50%
FSCPA Financial Leader	100%	
Develop strong working relationships with Administrators	100%	
Develop strong working relationships with FSCPA Board	100%	
Develop strong working relationships with Director	100%	
Develop and implement effective and GASB compliant processes and procedures	100%	
Budget Development & Communication		
Budget development & Reporting	90%	10%
Analysis	100%	
Historical	100%	
Comparative	100%	
Communicate	100%	
Budget Calendar	100%	
Budget Monitoring	75%	25%
General Accounting		
Maintain General Ledger (In compliance with GASB)	100%	
Journal Entries	100%	

UFARS Compliance	100%	
Implement Best Practices	75%	25%
Prescribe and Apply Internal Controls Whenever Possible	75%	25%
Cash Flow Management	100%	
Prepare Board Budget and Treasurer Report	100%	
Audit Planning & Coordination		
Plan & Coordinate Annual Audit	100%	
Prepare all Asset & Liability Supporting Schedules	100%	
Calculate and Schedule State, Federal and Local Revenues & Receivables:		
State Aids		
Federal Aids	100%	
Property Taxes	100%	
Long-Term Debt	100%	
Fixed Assets	100%	
Committee Representation		
Attend Appropriate Committee's Upon Request	100%	
FSCPA Board and Governing Meetings		
Attend Board Meetings upon request	100%	
Prepare and Present Business-Related Board Action Items	100%	
Recommend and Prepare Business Policies	100%	

Arrangements

Friends of St. Croix Preparatory Academy will receive SMS Professional Business Management Services in accordance with the following arrangements.

SMS shall be compensated for the proposed services and paid according to the payment schedule as follows:

Business Management Services: **\$7,800 / Annually**

Paid Semi-Annually in equal installments

(4/1/26 – 3/31/27) by 4/1/26: \$3,900

Travel & Incidental fees:

- None

1. Business Manager Services Responsibilities

It shall be the responsibility of SMS to compensate outside professionals retained or hired by SMS to fulfill obligations under this Agreement.

SMS Services Agreement

THIS AGREEMENT is made and entered into by and between Friends of St. Croix Preparatory Academy (hereinafter referred to as the "FSCPA"), and School Management Services (hereinafter referred to as the "Contractor").

Articles of Agreement & Recitals

WHEREAS, the FSCPA is authorized and empowered to secure from time-to-time certain professional services through contracts with qualified consultants; and

WHEREAS, the FSCPA desires to retain and compensate a qualified consultant to provide such services on the terms and conditions hereinafter set forth; and

WHEREAS, the Contractor understands and agrees that:

1. The Contractor will act as an Independent Contractor in the performance of all duties under this Agreement. Accordingly, the Contractor shall be responsible for payment of all taxes, including federal, state and local taxes and professional/business license fees arising out of the Contractor's activities. The parties are not entering into an employment agreement or an employer-employee relationship. Nothing in this Agreement may be construed to create an employment relationship, a partnership, a joint venture, or a joint enterprise between the FSCPA and the Contractor;
2. The Contractor shall have no authority to bind the FSCPA for the performance of any services or to obligate the FSCPA. The Contractor is not an agent, servant, or employee of the FSCPA and shall not make any such representations or hold itself/himself/herself out as such;
3. The Contractor shall be the exclusive accounting consultant for the FSCPA during the term of this Agreement;
4. The Contractor shall perform all professional services in a competent and professional manner, acting in the best interests of the FSCPA at all times.
5. The Contractor shall not accrue any continuing contract rights for the services performed under this contract.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, it is agreed as follows:

ARTICLE I SERVICES

Section 1 Scope of Services: The Contractor agrees to provide Professional Business Management services to the FSCPA according to the attached Executive Summary, including the Scope of Proposed Services and Arrangements sections.

ARTICLE II PAYMENT

Section 1 Payment: The FSCPA agrees to pay the Contractor for its services as outlined in the attached Executive Summary, including the Arrangements section.

ARTICLE III LIABILITY INSURANCE

Section 1 Liability Insurance: The Contractor shall obtain professional liability insurance, at its/his/her expense, with coverage satisfactory to the FSCPA, in its sole discretion, which liability insurance Contractor must secure and maintain during the term of this Agreement. Contractor will provide FSCPA with proof of liability insurance coverage upon request.

ARTICLE IV

DURATION OF THE AGREEMENT

Section 1 Duration: This Agreement shall commence upon board ratification of this agreement and will remain in effect for a period three years : (1) 4/01/26-3/31/27, (2) 4/01/27-3/31/28, (3) 4/01/28-5/31/29. This Agreement will remain in full force and effect during the term of this Agreement but may be terminated as provided in sections 2 and 3.

Section 2 FSCPA's Termination Rights: FSCPA may terminate this Agreement upon thirty (30) days' written notice in the event the FSCPA determines in its sole discretion that it is not in the FSCPA's best interests to continue using Contractor's services.

Section 3 Contractor's Termination Rights: Contractor may terminate this Agreement upon thirty (30) days' written notice to FSCPA (i) in the event FSCPA does not pay Contractor compensation within thirty (30) days after invoice is received by FSCPA. In the event of non-payment by the FSCPA, Contractor shall give FSCPA an opportunity to cure the default by giving a notice of such non-payment and an additional five (5) days to remit such payment, prior to giving a notice of termination. Contractor may terminate the agreement with sixty (60) days' written notice in the event the Contractor determines in its sole discretion that it is not in the Contractor's best interest to continue providing services.

ARTICLE V

RENEWAL OF THE AGREEMENT

Section 1 Notice of Renewal: Not less than thirty (30) days prior to the expiration of this Agreement, the FSCPA may provide written notice of intent to renew this Agreement for an additional term upon terms and conditions agreed upon by both parties to the Agreement. This Agreement will not automatically renew.

ARTICLE VI

INDEMNIFICATION

Section 1 Release and Indemnify: The Contractor agrees to defend, hold harmless, and indemnify the FSCPA and its board members, its administration, its employees, its officers, its attorneys, insurers, agents, consultants, and representatives from any and all damages and claims that may arise by reason of any acts or omissions on the part of the Contractor, or of the Contractor's employees or agents, in regard to the Contractor's performance under this Agreement, including, but not limited to, any and all liabilities, demands, losses, claims, damages, fines, judgments, attorneys' and witness fees.

ARTICLE VII

GENERAL

Section 1 Authorized FSCPA Agent: The FSCPA's authorized agent for the purpose of administration of this Agreement is the Executive Director. The Contractor's authorized agent for the purpose of administration of this Agreement is Dr. Jennifer Fuchs. Said agents shall have final authority for approval and acceptance of the Contractor's services performed under this Agreement and shall further have responsibility for administration of the terms and conditions of this Agreement. All notices under this Agreement shall be sent to the person and address indicated below on the signature lines.

Section 2 Amendments: No amendments or variations of the terms and conditions of this Agreement shall be valid unless in writing and signed by the parties.

Section 3 Assignability: The Contractor's rights and obligations under this Agreement are personal and not assignable or transferable.

Section 4 Data: Any data or materials, including, but not limited to, reports, studies, photographs, negatives, or any and all other documents prepared by the Contractor in the performance of the Contractor's obligations under this Agreement shall be the exclusive property of the FSCPA, and any such data and materials shall be remitted to the FSCPA by the Contractor upon completion, expiration, or termination of this Agreement. Further, any such data and materials shall be treated and maintained by the Contractor in accordance with applicable federal, state and local laws regarding data privacy, including the Minnesota Government Data Practices Act. Contractor must maintain the confidentiality and privacy of all data accessed as a result of performing services for the FSCPA, and Contractor must not disclose such data without written authorization from the FSCPA, unless disclosure is specifically required by law or court order.

Section 5 Entire Agreement: This Agreement is the entire agreement between the FSCPA and the Contractor and it supersedes all prior written or oral agreements. For the avoidance of doubt, this Agreement includes the Executive Summary, including the Scope of Proposed Services and Arrangements sections. Neither the FSCPA nor the Contractor has relied on any statements, promises, or representations that are not stated in this Agreement. There are no other covenants, promises, undertakings, or understandings outside of this Agreement other than those specifically set forth. Any term, condition, prior course of dealing, course of performance, usage of trade, understanding, or agreement purporting to modify, vary, supplement, or explain any provision of this Agreement is null and void and of no effect unless in writing and signed by representatives of both parties authorized to amend this Agreement.

Section 6 Severability: All terms and covenants contained in this Agreement are severable. In the event any provision of this Agreement shall be held invalid by any court of competent jurisdiction, this Agreement shall be interpreted as if such invalid terms or covenants were not contained herein and such holding shall not invalidate or render unenforceable any other provision hereof.

Section 7 Choice of Law and Forum: This Agreement is governed by the laws of the State of Minnesota. The parties agree that Minnesota state and federal courts will have exclusive jurisdiction over any dispute arising out of this Agreement.

Section 8 Covenant of Diligence and Good Faith: Contractor agrees to provide services to the FSCPA diligently and in good faith. Contractor must comply with all federal and state laws and with all policies and rules of the FSCPA.

Section 9 Waiver and Equal Drafting: Waiver by either party of any term or condition of this Agreement will not constitute a waiver of any other term or condition of this Agreement. No waiver will be valid unless it is in writing and signed by both parties. If either party asserts that a provision of this Agreement is ambiguous, the Agreement must be construed to have been drafted equally by the parties.

Signature Page

WHEREFORE, this Agreement was entered into on the date set forth below and the undersigned, by execution hereof, represent that they are authorized to enter into this Agreement on behalf of the respective parties and state that this Agreement has been read by them and that the undersigned understand and fully agree to each, all and every provision hereof, and hereby, acknowledge receipt of a copy hereof.

Friends of St. Croix Preparatory Academy (FSCPA)
4260 Stagecoach Trail North
Stillwater, MN 55082

Name  Dan Mills (Mar 23, 2026 07:07:35 PDT)

Title President of FSCPA

Date 3/23/25

School Management Services, LLC
19750 Muirfield Circle
Shorewood, MN 55331

Name _____

Title _____

Date _____

EIN: 56-2545979