



The following is the narrative address delivered by Tim Grimes, Headmaster, to the parents, faculty, and staff at the State of the School meeting on January 22, 2018.

Comments regarding this school year. We opened the school year with 230 students which is exciting after a cycle of two years of declining enrollment in 2013 and 2014, and now experiencing three years of growth. We enrolled about 50 new students to the school this year, which is not unusual for Summit. We graduated 23 students last year which is the second largest class in the school's history. What is different and exciting was our retention of current students. In past years we have retained about 80% of eligible students – this year we retained 92% of all eligible students. As an example only three students did not return to the Upper School. One student moved out of state and two students left to pursue athletics at larger schools. I am very excited about our rate of retention and look forward to similar growth in our Grammar School program.

The past two years we have been celebrating the history of Summit Christian Academy under the theme of "Catch the Vision." It has been our way of celebrating the first twenty years of the school and looking to God for His direction and blessing for our next twenty years.

Last February we had the joy of celebrating the 20th anniversary of the school at our Catch the Vision Grande Finale Dinner. We looked at old pictures, toured a fascinating museum of our history, heard from significant representatives of the school including two of our school's founders, Dr. Drew O'Neal and Mr. Rob Hampton.

And the anniversary year was concluded by the commencement address of Mrs. Sue Freeman, our long-time serving Principal of the Grammar School, and attended by our first and fourth Headmasters, the Reverend Claude Marshall and Mr. Tim Moon. Last year was a an exciting and significant year in the life of our school.

At the last several State of School meetings I have shared lots of data with you regarding student achievement, standardized test data, the financial health of the school, testimonials from parents and alumni, and the professional growth of our faculty in Christian and classical education.

This year's address is going to be a little different. While student achievement and test data are important, I have two primary purposes for tonight's address. The first is to announce the tuition rates for the school year 2018-2019 and to encourage you to re-enroll in this thriving and maturing school. The second purpose is to share what the Board believes is God's beginning vision for the school's next twenty years.

Financials

- Tuition 2018-2019
 - Tuition increase of 3%
 - No increase in fees
 - Average increase of 2.76%
 - Equates to an average increase of \$213 or \$17.75 per month
- This tuition increase provides a 2% salary increase for all faculty and staff
- Re-enrollment (incentive fee rate through February 16th)

Recently I was introduced to a military term, “BLUF.” While there is nothing in this presentation designed to bluff you in the traditional sense of the word, this acronym stands for Bottom Line Up Front. It is my goal tonight to provide you with key information right up front.

The School Board has approved a tuition increase for the 2018-2019 school year of 3%. There is no increase in school fees, so this creates an average increase of 2.76% for each student enrolled in the school. Depending upon grade level, this amounts to an average of \$213 or about \$17.75 per month.

This increase will enable the Board to provide a salary increase of 2% for each school employee. Our teaching faculty is compensated at roughly 60% of the rate of public school teachers. We are fortunate to have the talent and commitment of the teachers God has blessed us with here at Summit. The Board has long desired to compensate our teachers at a rate of 80% of the public school salaries. I share this commitment to our teachers. And my commitment to you is to attract and retain the strongest faculty of Christian and classical educators possible within our school budget.

I want to encourage you to re-enroll your children at Summit Christian Academy. We are a strong institution and growing stronger. As parents, you have the God ordained duty to educate and disciple your children, and it is a privilege to partner with you in this mandate from the Father. We are neither the least nor the most expensive school option for your family on the Peninsula, but I do believe we offer the best Christian and classical education for most children. I say this not just as a school administrator, but as the parent of a graduate. Summit was the best choice for my son. You can begin re-enrolling as soon as you receive your e-mail notification from Chris Benner. We are offering an early re-enrollment incentive fee of \$65 per student through February 16th. After that, the standard fee of \$130 per student applies.

529 Savings Plans

Can now be used to fund private K-12 education

4

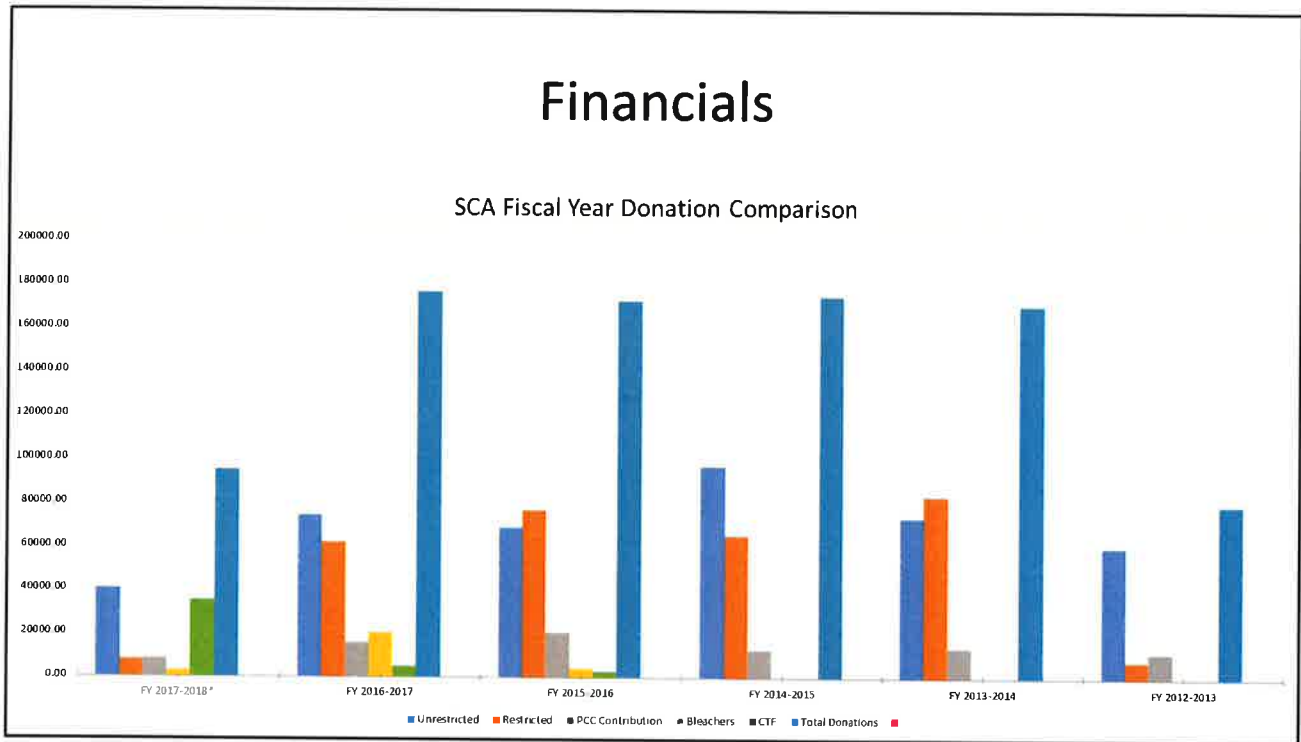
Some additional news to share tonight is in regard to the federal government's new tax plan which now includes the use of 529 educational savings plans for private K-12 education. Traditionally these plans have only been eligible for use in post-secondary or college education, allowing families to establish educational savings and benefit from the earnings growing free from federal taxes.

I have asked Greg Earwood, a financial strategist with Vector 27, whose the father of sophomore Allison and the husband of Cindy Earwood, our Director of Instruction, to make a few comments about 529 savings plans and the advantages for using them for our children's education.

We have an informational sheet that includes information from the Association of Christian Schools International regarding this recent change in the tax law.

I strongly advise every family to take advantage of this opportunity, so please see a financial advisor to set up such a plan.

Financials



I do want to quickly share two blessings from God in regard to gifts to our school. The Father has inspired many people to be generous to our school, which includes most of you. Tuition covers the cost of salaries and operations of the school. The additional gifting we receive enhances existing programs such as tuition assistance, athletics, technology, and school safety. An example is the new audio, visual, and electronic door locking system at the Grammar School. Or the new volleyball net and pads with the Summit branding on them.

This graph displays a five year history of giving to Summit. The past four years God has blessed us with about \$175,000 in total restricted and unrestricted gifts to the school. This year to date we have received about \$95,000. This is truly amazing and we are grateful to God for His generosity to the school.

Included in these figures is an dramatic increase in the giving to the Children's Tuition Fund. This gifting program makes it possible for lower income or even economically disadvantaged students to come to a private school like Summit. Eligible students have to be either new to school (kindergarten or 1st grade), or transferring to private school from a public school. And there are significant tax incentives for the donor to this fund, including a 65% state tax credit in addition to the federal deductions for charitable giving, resulting in about an 80% tax incentive to give to this program. This school year Summit has received \$35,000 for eligible students.

Thank you for the additional giving you have made to Summit. Thank you for being faithful to God's calling to give. If you would like more information regarding making an investment in the school, please contact me.



And the second blessing is in regards to our bleacher campaign. It gives me great joy to report we are almost there! We have received roughly \$32,500 toward the bleachers which means we are only \$2,500 shy of purchasing and installing the bleachers in the gym. This is great news and will allow us to expand the seating capacity for sporting events. Thank you to all those who have assisted with this project.

If you would like to assist us with the final few dollars needed to purchase these bleachers, please contact me.

A New Chapter

January 22, 2018

The second purpose for tonight's presentation is to share what the Board believes is God's beginning vision for the school's next twenty years. This is a new chapter, and this is a dream many have had for many years.

Let's be BLUF, and let's begin with the end in view...

Let's start at
the end...

The governing boards of
Summit Christian Academy
&
Calvary Classical School
will become
ONE SCHOOL
effective Fall of 2019.

8

After months of prayer, the governing Boards of Calvary Reformed Presbyterian Church, Calvary Classical School, Peninsula Community Chapel, and Summit Christian Academy have decided to merge the two schools and begin as one school for the 2019-2020 school year.

For those who do not know our history, both of these schools began in the mid 1990's. While there was shared vision with the two churches, and some consideration to form one school, there were good reasons to establish two separate schools. Since that time the schools have operated, both in the Christian and classical traditions, both benefitting from many of the same families, and both maintaining strong Grammar School programs.

And while the 1990's demonstrated tremendous growth in Christian education and the establishment of many Christian schools, to include tremendous growth among classical Christian schools, the recession and the last ten years have been difficult for private Christian schools. Both Calvary and Summit have survived and at times thrived during the economic challenges of recent years, but it is time to partner and strengthen what God has established and matured.

Because of this the four Boards began to earnestly pray about a merger, and in the fall the Boards formed a Steering Committee to work on the issues of governance, theology, and finance, and to make a recommendation to the Boards on whether to form a merged school. This Steering Committee work was completed in December and the Boards affirmed the recommendation to merge the two schools.

**Back to the
beginning**

1. Why?
2. What is the upside?
3. What is the downside?
4. What's the plan?

9

So, back to the beginning. Over the next few minutes I want to answer these four basic questions.

- 1) Why? What is the driving reason for this decision?
- 2) What are the upsides to such a decision?
- 3) Conversely, what are the downsides to this merger?
- 4) And lastly, what is the plan?



Why? Well, the most basic and compelling answer is we can do more together. It's that simple.

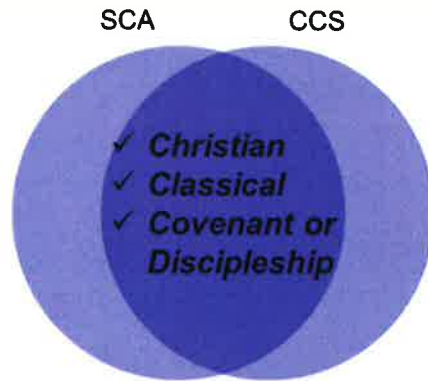
I wish I could tell you the number of times I have heard someone ask why there are two similar schools, with similar mission and vision, operating within a few miles of one another? I asked the same question myself before I was ever associated with Summit. And since coming to Summit, I've heard students, parents, and leaders from other schools ask this question. Fortunately, the reasons the two schools have existed separately have become increasingly unimportant.

Prior to the governing Boards praying and beginning the work of a merger, Calvary's former Principal, Lori Rogers, and I began discussing this possibility some time ago. We consulted with one another on instructional, accreditation, and administrative issues. We planned joint professional development for our teachers. There was prayer about what God might one day do.

We then set about getting guidance from respected leaders in our school association. We were strongly encouraged to consider this merger as a larger school would increase opportunities for student achievement, professional development, and financial stability. This was followed by convening our pastoral leadership regarding vision for the future, who eventually gave their support to bringing the vision to the respective Boards and the formation of the Steering Committee. It was a slow, prayerful, and logical process.

So what does doing more together look like?

We can do more TOGETHER.



We have more in common than not.

11

As I have mentioned and many of you have experienced, we have more in common than not. Both schools began in the Christian classical traditions. Both schools were dynamically influenced in the early years by the leadership at Logos School and Doug Wilson from Moscow, Idaho. The instructional pedagogy and methodologies are similar at both schools.

While there have been some small differences in the families we serve, both schools have largely operated as a covenant or discipleship school, primarily serving families of Christ followers. Both schools have families adhere to a statement of faith, or at the very least, affirm the students will be taught to the biblical standards of faith.

We can do more TOGETHER.



Vision

The vision of Summit Christian Academy is to prepare students academically, socially, and spiritually, equipping them to discern truth, articulate their faith, and to serve others for the glory of Jesus Christ.

Mission

The mission of Summit Christian Academy is to partner with parents to educate and disciple young men and women through a Christian and classical education.



Calvary Classical School exists to assist parents in fulfilling their covenantal duty to educate their children by offering a Christian, classical, and Biblically-integrated curriculum, resulting in students who think and learn independently for the glory of God.

Because we recognize that all knowledge comes from God, we are committed to integrating the truth of Scripture into every aspect of the program and to training children to think biblically about every area of life. Because we recognize that God expects the very best from His people, we are committed to high academic quality.

12

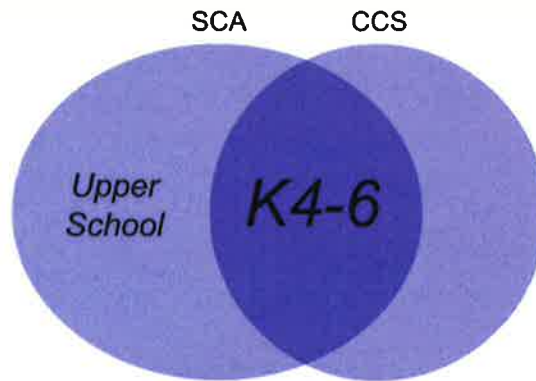
When reviewing the mission statements of our two schools, there is great similarity:

The mission of Summit Christian Academy is to partner with parents to educate and disciple young men and women through a Christian and classical education.

And in similar comparison, Calvary Classical School exists to assist parents in fulfilling their covenantal duty to educate their children by offering a Christian, classical, and Biblically-integrated curriculum, resulting in students who think and learn independently for the glory of God.

Our mission statements capture the same mandate of the parents' responsibility to educate and disciple their children, and choosing a Christian classical education to do so.

We can do more TOGETHER.



Our differences complement each other.

13

Currently our schools are different in that Calvary only has a Grammar School, or grades K4-6th, just as Summit has a K4-6th Grammar School. In addition, of course, Summit has both a Dialectic and Rhetoric School, or grades 7-12. By merging the Grammar Schools there are two strong results.

The first is you immediately double the capacity of the Grammar School. This provides for increased collaboration and differentiated instruction for the classes because we will now have two teachers and two classes in each grade level. We are experiencing some of this in this current school year as there are two 5th grade classes. Each teacher will now have a “colleague” working on the same lessons and curriculum.

The second benefit is we will be creating a stronger cohort of students, rich in the traditions of classical education, moving to the classes in the Upper School. Currently, the Upper School is dependent on recruiting students from outside of the circle of classical Christian education, necessitating the process of learning the classical instructional practices and unlearning some of the negative practices of other school environments – such as CRAM, PASS, FORGET. So a larger and more robust Grammar School has the potential for increasing the rigor and achievement for students in all grade levels.

What is the UPSIDE for PARENTS?

- ✓ **Stronger UPPER SCHOOL**
(Clear path for CCS, growth for SCA)
- ✓ **Stronger ACADEMICS**
(Added expertise across most disciplines)
- ✓ **Stronger FINANCIALS**
(Increased efficiencies, donor base)

14

So this leads to a tremendous upside for parents. For the current Calvary families, there is now a clear K4-12th grade path for their children. For Summit, there is the potential to grow the Upper School enrollment which creates expanded opportunities in course offerings and electives, the arts, and more competitive athletic teams.

For both schools, a merged school will slowly strengthen the academic rigor across most disciplines and increase the instructional opportunities for both teachers and students.

Lastly, the merged school has the potential to increase our efficiency financially and potentially increase our donor base.

What is the UPSIDE for TEACHERS?

- ✓ **More SUPPORT**
(Teaching teams for every grade)
- ✓ **More DEVELOPMENT**
(Increased pool of expertise)
- ✓ **Stronger FINANCIALS**
(Job stability, more resources available)

15

What is the upside for teachers? We are blessed at both Summit and Calvary with an excellent faculty and staff. One of the concerns when merging any organization is whether there will be changes to the employment status of personnel. Fortunately, at this time we forecast retaining 100% of our teaching positions. As we look at the organizational structure of the merged school there are likely to be changes in some positions of support staff.

As I mentioned, merging the Grammar Schools immediately creates teaching teams at each grade level and increases the pool of expertise and accountability across the board. It will be iron sharpening iron.

And as the school grows stronger financially, more resources will be available to our teachers, to include increased opportunities for professional development and financially compensating proven teachers.

What is the DOWNSIDE?

Change comes with uncertainty...

- **What will happen to TUITION*?**
- **What will happen to our CULTURE?**
- **What LOCATIONS will be used?**

WE need to work through all of these together, along with the issues of governance, leadership, uniforms, the mascot, alumni relations...

* At this time, we forecast using SCA's tuition schedule (~10% more than CCS).

16

Generally I am a glass $\frac{3}{4}$ full kind of person. When I am in the middle of something I do not like to look at the negatives. But any adventure has risks. This is no exception. I firmly believe this is where God is taking our school, but sometimes the faith journey is like exploring a cave with a very weak headlamp. You can only see so far. In many instances this is probably good, because if we could see the hardships that await us we would shrink from the challenge and doubt that God really loves us.

This school merger will obviously have some downsides. Change is hard. Change is often uncertain. Change is also often certain, requiring us to do something differently, to risk, to trust. Change is hard work.

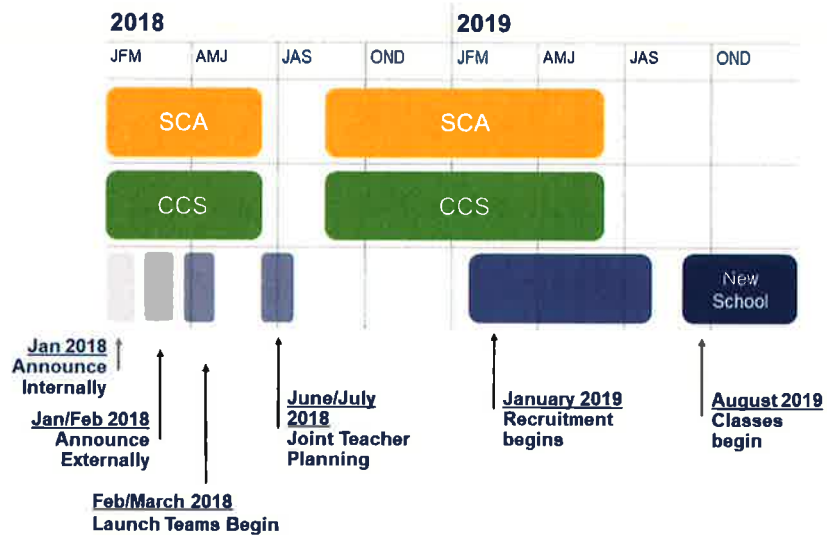
These questions are valid, and though they have been explored the answers are not yet certain.

What will happen to tuition? Initially the tuition projections for Summit will be about the same, small increases to address teacher compensation. Calvary's tuition is about 10% lower than Summit's, so for Calvary families there may be more of an adjustment.

What will happen to our culture? Our school culture will surely go through changes. As we pray and make the decisions for the future, we need to pray God uses this time to change us positively, to reset some policies and practices that need change, and to invite the best of both schools to compliment one another in effective change.

What locations will be used? Initially we will be a three campus school. That in itself will create unique challenges. Not to mention questions such as dress codes, school policies, do we change our branding, how do we create a new parent association, just to name a few. The details need to be worked out, and we will be calling on parents to assist in the many changes and challenges that await us.

What is the PLAN?



So what is the plan? This slide gives us some idea of the timeline for the school merger. The internal and external announcement is happening now. Tomorrow I will be sending out an email and a copy of this presentation to all of our school families. We will be posting this information on our web and Facebook pages. We have a press release to provide to the local media markets.

Calvary is following a similar path for their school families. Tonight they are having a school meeting similar to this one and we are using many of the same slides to provide this information. Additionally, Calvary is hosting a large gala event on February 24th at the Mariners Museum. Governor Mike Huckabee will be their guest speaker, and at this event the school merger will have a much more public presence.

I know one of your questions is what will the new school be named. Two of the most pressing questions the Steering Committee wrestled with was school governance and the school name. I am happy to report the leaders of Calvary have humbly agreed to place the school under the governance of PCC and retain the Summit Christian Academy name.

Over the next eighteen months much needs to be done. We will be forming a variety of launch teams to work on various aspects of the merger, which will include many of you. Our administrators will begin the work of merging curriculum and instructional resources, which will lead to professional development for our teachers during the summer. There is the legal work of incorporation, bylaws, and School Board policy formation. Like a wedding engagement, there is lots to be done.

By January of next year the goal is to be one school organizationally as we begin enrollment for the 2019-2020 school year. So, what are we asking you to do?

What are we asking YOU to do?

Be a Founder!

As a FOUNDER of this new school will you...

- ✓ Devote yourself to PRAY for this?
- ✓ Help THINK through all the challenges?
- ✓ DREAM with us about the future?

18

We're asking you to be a founder! In a rich sense, this merged school will be a new school. Each of us here will be founders of this new school. And like the pioneers who originally founded Summit and Calvary, we have the opportunity to build on a solid foundation. This will take some work, and I am asking you to do several things:

First, please pray for this school merger. The enemy's tactic is to always distract and divide. We can do more together. We need to pray for effectiveness, wisdom, discernment for decisions, and for a unity of purpose as we move forward.

Second, please consider serving on one of the teams we will be forming. There is a collective wisdom within the body of Christ, and your input is valuable. We will be identifying these teams in the next few months and I will inform you of the identified needs.

Lastly, dream with us! Dream big! Dream about the possibilities this merger will create. Dream about additional courses and experiences for our students. Dream about a more modern facility for our Grammar School. Dream about increasing the classroom space here in this building (PCC). Dream about the benefits for our teachers and the additional families the Lord may bring to the school. Dream what the school could be twenty years from now.

So be a founder, and catch the vision of where God is taking us.

Two Strong Traditions

One Great Future!



19

Several months ago my wife, Sue, came to me with this phrase.

“Two strong traditions, one great future!”

This captures the essence of what God is doing, and I am grateful the governing Boards of the Calvary Reformed Presbyterian Church, Peninsula Community Chapel, Calvary Classical School, and Summit Christian Academy have affirmed the intent to bring these two solid schools, these two great traditions in our community, together to be one school. The future is bright for us. Some of you remember at last year’s State of School meeting we played a little song, “My Future’s So Bright I Just Gotta Wear Shades.” Well, we still have some Summit sunglasses here for you tonight. Our future is bright, and the School Board and I are inviting you to be a part of it.

What if I
have more
questions?

tgrimes@scaschools.org

rnoppen@calvaryclassical.org

20

I'm sure you have questions, and I am going to ask Bob Campbell to come back up front and we will be happy to address some questions. I also know you will continue to have questions as we continue to work on the details of the merger.

On the screen are the email addresses for myself and Ryan Noppen, who is the Headmaster at Calvary Classical School. Please feel free to write or call either of us with your questions. We certainly do not have all the answers, but we are committed to working toward the solutions.

Let's end
here...

*"Now to him who is able to do
far more abundantly than all that
we ask or think, according to the
power at work within us, to him
be glory in the church and in
Christ Jesus throughout all
generations, forever and ever.
Amen."*

Ephesians 3:20-21

21

I want to thank you for your time tonight, and I am grateful to each of you for choosing Summit to partner with for your child's education.

Let's end here. Each year we end our graduation ceremonies with reading from Ephesians chapter 3, and it is appropriate to do so tonight because God is able – able to do more than we could ever believe.

So please join me in reading these verses in unison as our corporate prayer to God.

Q & A