

**PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

The classifications of fund balances are defined as follows:

Nonspendable – This classification consists of fund balances that cannot be spent because they are either not in spendable form, for example, noncash amounts that are not expected to be converted to cash, or the funds are legally or contractually required to be maintained intact.

Restricted – This classification consists of fund balances with external constraints on use imposed by creditors (such as through debt covenants), contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Committed – This classification consists of fund balances that can only be used for specific purposes established by formal action of the Board of Trustees, its highest level of decision making authority. Such commitments should include contractual obligations of fund assets. Fund balance commitments can only be removed by the same process of the same body employed to previously commit those amounts.

Assigned – This classification consists of all fund balances that are not in the General Purpose School Fund or classified as nonspendable, restricted or committed. In addition, General Purpose School Fund balances that are intended to be used for specific purposes and are also classified as assigned. The Organization gives the authority to assign amounts to specific purposes to the Organization's accountant and personnel under the supervision of the accountant tasked with financial recording responsibilities.

Unassigned – This classification consists of all fund balances in the General Purpose School Fund that are not reported as nonspendable, restricted, committed or assigned.

Basis of Accounting

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the GASB.

The Organization is considered a special purpose governmental entity engaged in governmental type activities and is not a component unit of another governmental entity. Therefore, the financial statements are prepared in the same manner as general purpose governments.

The basic financial statements include both government-wide (reporting the Organization as a whole) and fund financial statements (reporting the Organization's major funds). The Organization's primary activities are all considered to be governmental activities and are classified as such in the government-wide and fund financial statements.

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YEAR ENDED JUNE 30, 2016**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Basis of Accounting, Continued

The government-wide financial statements have been prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Revenues under the modified accrual basis are recognized when measurable and available and expenditures are recognized when the related liability is incurred. "Available" means collectible within the current period or within 60 days after the end of the year.

Since the governmental funds financial statements are presented on a different basis than the government-wide financial statements, reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the government wide financial statements.

Estimates and Uncertainties

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers deposits that can be redeemed on demand and investments that have original maturities of less than three months, when purchased, to be cash equivalents. As of June 30, 2016, cash and cash equivalents were deposited with a financial institution and those deposits may, from time to time, maintain deposit balances in excess of federally insured limits.

Receivables

Receivables represent amounts due from grants or funding which have been approved but not received. All receivables are reported at estimated collectible amounts.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital Assets

Property and equipment are recorded at acquisition cost, if purchased, or the fair value on the date received, if donated. The cost of routine maintenance and repairs is expensed as incurred. Initial individual expenditures generally exceeding \$1,000, which materially extend the economic lives, change capacities or improve the efficiency of the related assets are capitalized. Upon sale or retirement, the cost and related accumulated depreciation are removed from the respective accounts, and the resulting gain or loss, if any, is included in the statement of activities. Depreciation is provided using straight-line method over the estimated useful lives of the assets, ranging from 5 to 39 years.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital expenditures of the respective governmental fund upon acquisition.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditures) until then. When applicable, the Organization reports deferred outflow of resources relating to the pensions: Contributions made subsequent to the pension measurement date, difference between expected and actual experience, difference between projected and actual investment earnings, and changes in proportion of the net pension liability.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. When applicable, the Organization has two types of items that qualify for reporting in this category. The first, which arises only under a modified accrual basis of accounting, is unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from amounts that are deferred and recognized as an inflow of resources in the period that the amount becomes available. The Organization had no unavailable revenues at June 30, 2016. The Organization also reports the following deferred inflow of resources related to pensions: differences between expected and actual experience, differences between projected and actual investment earnings, and changes in the preparation of the net pension.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Income Taxes

The Organization is a not-for-profit organization that is exempt from federal income taxes under the Internal Revenue Code, classified by the Internal Revenue Service as other than a private foundation and is similarly exempt from state income taxes. The Organization accounts for the effect of any uncertain tax positions based on a more likely than not threshold to the recognition of the tax positions being sustained based on the technical merits of the position under examination by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a cumulative probability assessment that aggregates the estimated tax liability for all uncertain tax positions. Tax positions include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax; however, management has determined that such tax positions do not result in an uncertainty requiring recognition.

Grants

The Organization receives awards and financial assistance through federal, state, local and private agencies. The expenditures of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Purpose School Fund or Federal and State Grants Fund. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Organization.

Fair Value of Financial Instruments

The carrying value of cash equivalents, receivables, accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The fair value of long-term debt approximates carrying value as interest approximates market rates.

Interfund Balances

Transactions which constitute reimbursement of expenditures initially made from a fund, which are properly applicable to another fund, are recorded as expenditures, as appropriate, in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Interfund Balances, Continued

The Federal and State Grants Fund occasionally makes disbursements in advance of receiving funds. Accordingly, interfund transfers are made from the General Purpose School Fund in the form of due to/from. The amounts due the General Purpose School Fund are repaid upon receipt of the grants or contributions. At June 30, 2016, details of the interfund balances include Federal and State Grants Fund due to General Purpose School Fund relating to operating grant expenditures in advance of receipt of grant funding of \$33,138.

The General Purpose School Fund holds certain cash funds relating to the Restricted Contribution Fund. Such funds totaled \$4,249 at June 30, 2016 and were due from the General Purpose School Fund to the Restricted Contribution Fund.

NOTE 2 - CONTINUING ACTIVITIES

The Organization is dependent on certain significant contracts and grants for its continued operations. These contracts and grants are from state, local and other sources and are subject to the Organization's ability to fulfill the contract and grant requirements. Additionally, the Organization's receipt of such contracts and grants may also be contingent upon its ability to maintain certain financial condition, cash flows, level of operations, payment of liabilities, and test scores and academic standards. If a grantor agency finds that the Organization is not meeting these requirements, the agency may not provide continuing funding, which would have a material adverse impact on the Organization's ability to continue its operations.

Specifically, with respect to the Metropolitan Nashville Public Schools ("MNPS"), the Organization must demonstrate SCA's ability to maintain certain state standards, including standardized test scores, as well as maintain certain levels of financial condition and organizational structure. If such test scores and other requirements are not maintained, MNPS may revoke SCA's charter to operate as a public charters school. MNPS has communicated to the Organization regarding compliance with such standards. MNPS has communicated that a review of compliance and charter status will be performed at the end of the 2016-2017 school year. Additionally, review of compliance and charter status could take place at any time, if warranted. The outcome of such review, as well as other contingencies relating to the Organization's ability to continue to meet all requirements is not presently determinable, and accordingly, no impact of such contingencies is reflected within the financial statements.

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NOTE 3 - DEPOSITS WITH FIANCIAL INSTITUTIONS

The Organization does not have formal deposit policies that address its exposure to custodial credit risk. At June 30, 2016, the bank and carrying balances of cash and cash equivalents were \$318,298 and \$294,721 respectively, with the difference due primarily due to outstanding checks. The Organization, from time to time, maintains deposits in excess of FDIC coverage. The Organization's financial institution is a member of the Tennessee Bank Collateral Pool, which helps the Organization to mitigate custodial risk.

NOTE 4 - CAPITAL ASSETS

Capital assets activity for government activities for the year was as follows:

	Balance July 1, 2015	Additions	Retirements	Balance June 30, 2016
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 300,000	\$ -	\$ -	\$ 300,000
	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>300,000</u>
Capital assets being depreciated:				
Building and improvements	2,230,351	-	-	2,230,351
Equipment	456,758	10,121	-	466,879
Furniture and fixtures	83,804	3,519	-	87,323
Vehicles	66,910	-	(44,410)	22,500
Total capital assets being depreciated	<u>2,837,823</u>	<u>13,640</u>	<u>(44,410)</u>	<u>2,807,053</u>
Less accumulated depreciation for:				
Building and improvements	381,035	110,286	-	491,321
Equipment	362,562	38,752	-	401,314
Furniture and fixtures	46,807	9,427	-	56,234
Vehicles	35,962	3,243	(25,859)	13,346
Total accumulated depreciation	<u>826,366</u>	<u>161,708</u>	<u>(25,859)</u>	<u>962,215</u>
Total capital assets being depreciated, net	<u>2,011,457</u>			<u>1,844,838</u>
Governmental activities capital assets, net	<u>\$ 2,311,457</u>			<u>\$ 2,144,838</u>

In certain circumstances, grantor agencies may retain an interest in equipment purchased with grant funds. Management has worked with grantor agencies with respect to the certain equipment and obtained approval to retain and use for other operations, including the Elementary School. Accordingly, no provision was made in the financial statements for the return of equipment to grantor agencies.

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NOTE 5 - LONE-TERM DEBT

In August 2012, the Organization entered into a promissory note agreement with a bank in the amount of \$1,950,000. The note is collateralized by the Organization's facilities. The note accrues interest at a fixed rate of 4.79%. The outstanding balance at June 30, 2016 totaled \$771,662. Principal and interest are due in monthly installments of \$6,536 through August 2017. The remaining principal and accrued interest on the note is due in full in August 2017.

The following is a summary of changes in the Organization's long-term debt for governmental activities for the fiscal year ended June 30, 2016:

	Balance July 1, 2015	Additions	Payments	Balance June 30, 2016
Note payable - Bank	\$ 824,604	\$ -	\$ (52,942)	\$ 771,662

A summary of annual principal and interest requirements follows:

Year Ending June 30,	Interest	Principal
2017	\$36,040	\$ 42,392
2018	5,808	729,270
	\$41,848	\$771,662

NOTE 6 - COMMITMENTS, CONTINGENCIES AND RISK MANAGEMENT

The Organization is exposed to various risk of loss relating to torts, theft of, damage to, and destruction of assets; errors or commissions; illness or injuries to employees; and natural disasters. The Organization carries insurance for certain risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The Organization has received federal and state grants for specific purposes that are subject to review and audit by grantor agencies. Although such audits could generate expenditure disallowance under terms of the grants, management believes any required reimbursements would not be material to the financial statements.

The Organization may become subject to various claims and legal actions, which arise in the ordinary course of business. In the opinion of management, in consultation with legal counsel, the ultimate resolution of such matters will not have a material adverse effect on financial position or results of operations, as of the date of these financial statements.

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NOTE 7 - CONCENTRATIONS

The Organization received approximately 78% of its funding for operations from MNPS based on the State of Tennessee's Basic Education Program (BEP). BEP funding is designated to schools based on student attendance. Gross BEP funding for the year ended June 30, 2016 was \$2,179,853.

Outside fundraising for capital needs is on-going to supplement funding received from State BEP capital since the charter school agreement with MNPS does not include an allocation for capital expenditures.

NOTE 8 - PENSION PLANS

The Organization participates in the following three defined benefit pension plans (collectively the "Pension Plans"):

Certificated Employees

Tennessee Consolidated Retirement System ("TCRS"):

Teachers Legacy Pension Plan

Teachers Retirement Plan (collectively the "TCRS Plans")

Non-Certificated Employees

Metropolitan Government of Nashville and Davidson County, Tennessee
(the "Metropolitan Government")

Metro Pension Plan of the Metropolitan Employees Benefit Trust
(the "Metro Plan")

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Pension Plans and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the TCRS and Metropolitan Government. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Pension Plans. Investments are reported at fair value.

(I) TCRS Plans

(A) General Information – TCRS Plans

**PROJECT REFLECT, INC.
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NOTE 8 - PENSION PLANS, CONTINUED

Description of the TCRS Plans

Teachers with membership in the TCRS before July 1, 2014 of the Organization are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning on July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost sharing multiple-employer pension plan.

The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits provided

Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly.

Teachers Legacy Pension Plan

Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 55 and vested. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CA) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis.

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NOTE 8 - PENSION PLANS, CONTINUED

Teacher Legacy Pension Plan (continued)

Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Teachers Retirement Plan

Members of the Teacher Retirement Plan are eligible to retire at age 65 with 5 years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as service retirement benefit but are reduced 10 percent and included projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of the benefit terms and conditions on an automatic basis.

Contributions

Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The Local Education Agencies (LEAs) make employer contributions at a rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions are required to be paid. TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted.

Teachers Legacy Pension Plan

Employer contributions by Project Reflect for the year ended June 30, 2016 to the Teacher Legacy Pension Plan were \$64,849 which is 9.04 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

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NOTE 8 - PENSION PLANS, CONTINUED

Teachers Retirement Plan

Per the statutory provisions governing the TCRS, the employer contribution rate cannot be less than 4 percent, except for in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. Employer contributions for the year ended June 30, 2016 to the Teacher Retirement Plan were \$4,036, which is 4 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of an unfunded liability.

(B) Pension Liabilities (Assets) – TCRS Plans

Pension Liability (Asset)

Teachers Legacy Pension Plan

At June 30, 2016, Project Reflect, Inc. reported a liability of \$7,544 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. Project Reflect Inc.'s proportion of the net pension liability was based on Project Reflect Inc.'s share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2015, Project Reflect Inc.'s proportion was 0.018416 percent. The proportion measured as of June 30, 2014 was 0.00000 percent.

Teachers Retirement Plan

At June 30, 2016, Project Reflect Inc. reported an asset of \$762 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2015, and the total pension asset used to calculate the net pension asset was determined by an actuarial value as of that date. Project Reflect Inc.'s proportion of the net pension asset was based on Project Reflect Inc.'s share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2015, Project Reflect Inc.'s proportion was 0.018940 percent.

**PROJECT REFLECT, INC.
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NOTE 8 - PENSION PLANS, CONTINUED

Actuarial assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	Graded salary ranges from 8.97 to 3.71 percent based on age, including inflation, averaging 4.25 percent
Investment	7.5 percent, net of pension plan investment expenses, including inflation
Cost-of living adjustment	2.5 percent

Mortality rates are customized based on the June 30, 2012 actuarial experience study and included some adjustment for expected future improvement in life expectancy. The actuarial assumptions used in the June 30, 2015 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2008 through June 30, 2012. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2012 actuarial experience study by considering the following three techniques: (1) the 25-year historical return of the TCRS at June 30, 2012, (2) the historical market return of asset classes from 1926 to 2012 using the TCRS investment policy asset allocation, and (3) capital market projections that were utilized as a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. Four sources of capital market projections were blended and utilized in the third technique. The blended capital market projection established the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding inflation of 3 percent. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.5 percent based on a blending of the three factors described above.

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NOTE 8 - PENSION PLANS, CONTINUED

Discount rate

The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(II.) Metro Plan

(A) General Information – Metro Plan

Plan Description

The Metro Plan is established under the authority of the Metropolitan Charter, Article XIII. Approval of the Metropolitan Council is required to establish and amend benefit provisions. Article XIII also required that the pension plan be actuarially sound. Administrative costs of the plan are financed through plan assets. The plan is managed by the Metropolitan Employee Benefit Board, an independent board, created by the Metropolitan Charter. The Board is composed of ten members as follows: Finance Director, Human Resources Director, three members appointed by the Mayor, and five members selected by the employees and retirees of the Metropolitan Government. Additional information about the Metro Plan can be found in the publically available comprehensive annual financial report of the Metropolitan Government. That report may be obtained at www.nashville.gov.

Benefits Provided

As of July 1, 1995, Division B of the Metro Plan was established for all non-certificated employees of the Metropolitan Nashville Public Schools, including charter schools, and all other Metro Government employees. Employees with an effective hire date of July 1, 1995 or later are only eligible to participate in Division B of the Metro Plan.

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NOTE 8 - PENSION PLANS, CONTINUED

Benefits provided (continued)

Normal retirement for the Organization's employees participating in the Metro Plan occurs at the unreduced retirement age which is the earlier of (a) the date when the employee's age plus the completed years of credited service equals 85, but not before age 60; and (b) the date when the employee reaches age 65 and completes 5 years of credited employee service. The lifetime monthly benefit is calculated as 1/12 of the sum of 1.75% of average earnings based upon the previous 60 consecutive months of credit service, which produce the highest earnings. Benefits fully vest on completing 5 years of service employees employed on or between October 1, 2001 and December 31, 2012 who vest before leaving employment. Benefits fully vest on completing 10 years of service for employees and non-vested employees hired or rehired on or after January 1, 2013. An early retirement option, with reduced benefits, is available for retired employees if the termination occurs prior to the eligibility under normal retirement but after age 50 and after the completion of 10 years of credited employee service.

All assets of the Metropolitan Employees' Benefit Trust Fund may legally be used to pay benefit to any plan members beneficiaries.

Contributions

The funding policy is to provide for periodic contributions at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. All funding is provided under an actuarially recommended employee contribution rate of 15.51% for the non-certificate employees of the Metropolitan Nashville Public Schools, including charter schools, and all other Metropolitan Government Employees.

(B) Pension Liabilities – Metro Plan

Pension Liability

The Organization reported a liability of \$212,961 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The Organization's proportion of the net pension liability was based on the Organization's employer contributions to the pension plan during the year ended June 30, 2016 relative to all contributions for 2016. At the June 30, 2016 measurement date, the Organization's proportionate share was 0.4541 percent.

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NOTE 8 - PENSION PLANS, CONTINUED

Actuarial assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2014. Actuarial assumptions are summarized below:

Inflation	2.6 percent
Salary increases	4.0 percent
Investment rate of return	7.5 percent, net of pension plan investment expenses, including inflation
Cost-of living adjustment	1.5 percent

Mortality rates were based on the 110% RP-2000 Healthy Annuitant Mortality Table for Males and Females, as determined by the period actuarial experience study. The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period 2007 to 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class from historical returns on consensus expectations of future returns. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Metro Plan's target asset allocation are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>	<u>Target Allocation</u>
U.S. equity	6.60%	14.50%
International equity	10.10%	23.00%
Equity hedge	5.80%	10.00%
Fixed income	1.80%	15.00%
Fixed income alternatives	5.60%	15.00%
Real estate	6.10%	12.50%
Private equity	7.60%	12.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. Based on the Metro Plan assumptions and funding policy, the fiduciary net position for the plan was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

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NOTE 8 - PENSION PLANS, CONTINUED

(III.) Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Pension Plans

Pension Liabilities

The Organization reports the following net pension liability as of June 30, 2016:

TCRS Plans	\$ 6,782
Metro Plan	<u>212,961</u>
Net pension liability	<u>\$ 219,743</u>

Sensitivity of the proportionate share of net pension liability to changes in the discount rate.

The following presents the Organization's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.5 percent, as well as what the Organization's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Proportionate share of the net pension liability (asset):			
TCRS Plans	\$ 514,441	\$ 6,782	\$ (416,116)
Metro Plan	<u>968,597</u>	<u>212,961</u>	<u>(667,758)</u>
Total	<u>\$ 1,483,038</u>	<u>\$ 219,743</u>	<u>\$(1,083,874)</u>

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS and Metropolitan Government financial reports.

**PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 8 - PENSION PLANS, CONTINUED

Pension expense

For the year ended June 30, 2016, the Organization recognized pension expense of \$72,635.

Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended June 30, 2016, the Organization reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
TCRS Plans	\$ 6,504	\$ 117,667
Metro Plan	-	59,134
Net difference between projected and actual earnings on pension plan investments		
TCRS Plans	136,216	184,921
Metro Plan	153,448	-
Changes in proportion of net pension liability (asset) for TCRS plan	196,982	-
Contributions subsequent to the measurement date of June 30, 2015	<u>68,435</u>	<u>Not applicable</u>
Total	<u>\$ 561,585</u>	<u>\$ 361,722</u>

**PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 8 - PENSION PLANS, CONTINUED

Employer contributions of \$68,435, reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as an increase in net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,		
2017	\$	8,473
2018		8,473
2019		8,473
2020		70,112
2021		36,042
Thereafter		(145)

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Payable to the Pension Plan

At June 30, 2016, there were no significant amounts outstanding for contributions to the Pension Plans.

NOTE 9 - RESTATEMENT OF FINANCIAL STATEMENTS

Subsequent to the issuance of the Organization's 2015 financial statements, management became aware that the 2015 financial statements understated liabilities and overstated net position due to an accounting error with regard to recording liabilities for transportation costs and property taxes not accrued as of June 30, 2015. The inclusion of these corrections in the restated financial statements decreased net position by \$113,669.

REQUIRED SUPPLEMENTARY INFORMATION

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF
NET PENSION LIABILITY (ASSET)
TEACHER LEGACY PENSION PLAN OF TCRS
FISCAL YEAR ENDED JUNE 30
(UNAUDITED)

	2016	2015
Proportion of the net pension liability (asset)	0.018416%	0.000000%
Proportion of the net pension liability (asset)	\$ 7,544	\$ -
Covered payroll	\$ 689,394	\$ -
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	1.094255%	0.000000%
Plan fiduciary net position as a percentage of the total pension liability	99.81%	100.08%

The amounts presented in this schedule were determined as of the measurement date.

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF
NET PENSION LIABILITY (ASSET)
TEACHER RETIREMENT PLAN OF TCRS
FISCAL YEAR ENDED JUNE 30
(UNAUDITED)

	<u>2016</u>
Proportion of the net position liability (asset)	0.018940%
Proportion of the net pension liability (asset)	\$ (762)
Covered payroll	\$ 39,353
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	1.940000%
Plan fiduciary net position as a percentage of the total pension liability	127.46%

The amounts presented in this schedule were determined as of the measurement date.

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF
NET PENSION LIABILITY (ASSET)
METRO PLAN
FISCAL YEAR ENDED JUNE 30
(UNAUDITED)

	<u>2016</u>	<u>2015</u>
Proportion of the net position liability (asset)	0.4541%	0.1085%
Proportion of the net pension liability (asset)	\$ 212,961	\$ 74,756
Covered payroll	\$ 413,135	\$ 567,221
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	51.55%	13.18%
Plan fiduciary net position as a percentage of the total pension liability	101.27%	97.57%

The amounts presented in this schedule were determined as of the measurement date.

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of information is available.

**PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FISCAL YEARS ENDING JUNE 30,
(UNAUDITED)**

Teachers Legacy Pension Plan of TCRS

	2016	2015	2014
Actuarial determined contributions (ADC)	\$ 64,849	\$ 46,775	\$ 84,532
Contributions in relation to the actuarially determined contribution	<u>64,849</u>	<u>46,775</u>	<u>84,532</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 717,356	\$ 517,423	\$ 958,694
Contributions as a percentage of covered-employee payroll	9.04%	9.04%	8.88%

Teachers Retirement Plan of TCRS

	2016	2015	2014
Actuarial determined contributions (ADC)	\$ 4,036	\$ 11,567	N/A
Contributions in relation to the actuarially determined contribution	<u>4,036</u>	<u>11,567</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	
Covered-employee payroll	\$ 100,900	\$ 289,175	
Contributions as a percentage of covered-employee payroll	4.00%	4.00%	

Metro Plan

	2016	2015	2014
Actuarial determined contributions (ADC)	\$ 68,497	\$ 102,026	\$ 146,022
Contributions in relation to the actuarially determined contribution	<u>68,497</u>	<u>102,026</u>	<u>146,022</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 413,135	\$ 567,221	\$ 853,082
Contributions as a percentage of covered-employee payroll	16.580%	17.987%	17.117%

This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in the future fiscal years until 10 years of information is available.

OTHER INFORMATION

PROJECT REFLECT, INC.
 SMITHSON CRAIGHEAD ACADEMY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2016

Program Name	CFDA Number	Beginning (Accrued) Deferred	Cash Receipts	Expenditures	Ending (Accrued) Deferred
U.S. Department of Agriculture: Passed through Tennessee Department of Education					
Child Nutrition Cluster					
School Nutrition Program	10.555	\$ -	\$ 164,180	\$ 164,180	\$ -
U.S. Department of Education: Passed through Tennessee Department of Education					
Twenty-First Century Community Centers Learning Program Learning Program (21st CCLC)	84.287	(30,828)	122,971	125,281	(33,138)
Passed through Tennessee Department of Education, Passed through MNPS					
Title I, Part A Cluster					
Title I Grants to Local Educational Agencies	84.010	-	116,614	116,614	-
Special Education Cluster (IDEA) Special Education - Grants to States	84.027	-	33,240	33,240	-
		<u>\$ (30,828)</u>	<u>\$ 437,005</u>	<u>\$ 439,315</u>	<u>\$ (33,138)</u>

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the School. The information in this schedule is presented in accordance with the requirements of the State of Tennessee. The schedule is prepared using the accrual basis of accounting.

PROJECT REFLECT, INC.
 SMITHSON CRAIGHEAD ACADEMY
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
 YEAR ENDED JUNE 30, 2016

Program Name	CFDA Number	Beginning (Accrued) Deferred	Cash Receipts	Expenditures	Ending (Accrued) Deferred
Tennessee Department of Education:					
Basic Education Program Capital Outlay Allocation	N/A	\$ -	\$ 40,000	\$ 40,000	\$ -
Passed through MNPS					
Basic Education Program	N/A	-	2,179,853	2,179,853	-
		\$ -	\$ 2,219,853	\$ 2,219,853	\$ -

NOTE 1 - BASIS OF PRESENTATION

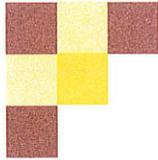
The accompanying Schedule of Expenditures of State Financial Assistance includes the state grant activity of the School. The information in this schedule is presented in accordance with the requirements of the State of Tennessee. The schedule is prepared using the accrual basis of accounting.

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Restricted Contribution Fund	Total Nonmajor Governmental Funds
ASSETS		
Due from other funds	\$ 4,249	\$ 4,249
Total assets	\$ 4,249	\$ 4,249
FUND BALANCES		
Restricted	\$ 4,249	\$ 4,249
Total fund balances	\$ 4,249	\$ 4,249

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	<u>Restricted Contribution Fund</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES		
Contributions	<u>\$ 10,000</u>	<u>\$ 10,000</u>
Total revenues	<u>10,000</u>	<u>10,000</u>
EXPENDITURES	<u>17,191</u>	<u>17,191</u>
NET CHANGE IN FUND BALANCES	(7,191)	(7,191)
FUND BALANCES, June 30, 2015	<u>11,440</u>	<u>11,440</u>
FUND BALANCES, June 30, 2016	<u><u>\$ 4,249</u></u>	<u><u>\$ 4,249</u></u>



Edmondson, Betzler & Dame, PLLC

(Certified Public Accountants)

INDEPENDENT AUDITORS' 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

To the Board of Directors
Project Reflect, In.
Smithson Craighead Academy
Nashville, Tennessee

We have audited, in accordance with the 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 the governmental activities, each major fund, and the aggregate remaining fund information of Project Reflect, Inc. operating Tennessee Public Charter School Smithson Craighead Academy (the "Organization"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements and have issued our report thereon dated December 15, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization'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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2016-001 and 2016-002 that we consider to be significant deficiencies.

**INDEPENDENT AUDITORS' 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, CONTINUED**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of 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*.

Organization's Response to Finding

The Organization's responses to the findings identified in our audit are described in the accompanying schedule of findings. The Organization's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Brentwood, Tennessee
December 15, 2016

**PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2016**

SIGNIFICANT DEFICIENCIES

2016-001 – Proper Recording of Payables

Condition and Criteria: The School did not properly record payables within its financial records throughout the fiscal year.

Effect: The School's financial records were significantly adjusted to reflect transactions involving payables.

Cause: The School failed to properly and promptly identify transactions that should be recorded as payables throughout the fiscal year.

Auditors Recommendations: We recommend that the School establish a system to identify and record payables throughout the fiscal year.

School's Response: A contract from the Metropolitan Nashville Public Schools System (MNPS) was never received during the 2014-2015 school year that they provided transportation so it was not known until the following school year that there was an outstanding amount from the prior year. The current Executive Director received an email from MNPS during the 2015-2016 school year stating that there was a balance due from the previous year for transportation services provided by the district. Therefore, in order to satisfy the balance, a payoff was deducted from the BEP payment. However, this payment to the district should have been reflected the prior year when this transportation service was provided under the leadership of the prior Executive Director but the current Executive Director wanted to satisfy all balances due to MNPS. All payments are have now been satisfied; therefore, the payables should be recorded correctly going forward.

2016-002 – Proper Recording of Pension Related Entries

Condition and Criteria: The School did not properly record pension related liabilities, deferred outflows of resources, deferred inflows of resources and effect on net position within its financial records.

Effect: The School's financial records were significantly adjusted to reflect transactions involving pension transactions.

Cause: The School failed to properly and promptly communicate to its third-party accounting provider transactions that should be recorded for the pension related transactions.

Auditors Recommendation: We recommend that the School establish a system to communicate and record pension related transactions throughout the fiscal year with its third-party accounting provider.

School's Response: When the current bookkeeper came on board, the pension information was not effectively communicated from the previous bookkeeping staff, and she was not in communication with the previous third party auditor. Therefore, our current bookkeeper will work with our current third party auditor to establish a system that will ensure that all pension related transactions are recorded properly.

**PROJECT REFLECT INC.
SMITHSON CRAIGHEAD ACADEMY
STATUS OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2016**

Item #	Description of Condition	Status of Corretive Action
2015-001	Organizational Structure	This item has been resolved.
2015-002	Cash Receipts	This item has been resolved.
2015-003	Payroll Accruals	This item has been resolved.
2015-004	Disbursements	This item has been resolved.

Smithson Craighead Academy
Renewal Application
April 1, 2017

Project Reflect Mission: Transforming communities through education

CHARTER RENEWAL – APPLICANT INFORMATION SHEET**Year Current charter expires:** June 30, 2018**Name of Charter School:** Smithson Craighead Academy**Name of Sponsor/Sponsoring Agency:** Project Reflect, Inc.**Primary Contact Person:** Allison Driver, Executive Director**Telephone:** 615-228-9886 **Email:** allison.driver@projectreflect.org**Mailing Address:** 730 Neely's Bend Road, Madison, TN 37115**Proposed Grade Levels and Student Enrollment for next charter term:**

FIRST YEAR OF NEW CHARTER TERM: 2018-2019		
	Grade Levels	Total Student Enrollment
Year One	K, 1, 2, 3, 4	200
Year Two	K, 1, 2, 3, 4	220
Year Three	K, 1, 2, 3, 4	240
Year Four	K, 1, 2, 3, 4	260
Year Five	K, 1, 2, 3, 4	280
Year Six	K, 1, 2, 3, 4	280
Year Seven	K, 1, 2, 3, 4	280
Year Eight	K, 1, 2, 3, 4	280
Year Nine	K, 1, 2, 3, 4	280
Year Ten	K, 1, 2, 3, 4	280

Signature of Primary Contact Person: Allison Driver Date: 4/3/17

Assurances of Compliance Form

As the authorized representative of the sponsor, I hereby certify that the information submitted in this application for a charter for Smithson Craighead Academy is true to the best of my knowledge and belief; and if awarded a charter, the school:

1. will operate as a public, nonsectarian, non-religious public school, with control of instruction vested in the governing body of the school under the general supervision of the chartering authority and in compliance with the charter agreement and the Charter School Act;
2. will follow all federal, state, and local laws and regulations that pertain to the operation of a public school, unless waived according to T.C.A. §49-13-105;
3. will provide special education services for students as provided in Tennessee Code Annotated Title 49, Chapter 10, Part B of the Individuals with Disabilities Education Act, Title II of the American's with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973;
4. will adhere to all provisions of federal law relating to students who are limited English proficient (LEP), including Title VI of the Civil Rights Act of 1964 and the Equal Educational Opportunities Act of 1974, that are applicable to it;
5. will follow all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, national origin, religion, ancestry, or need for special education services;
6. will comply with all provisions of the Charter Schools Act, including, but not limited to
 - a. employing individuals to teach who hold a license to teach in a public school in Tennessee;
 - b. complying with Open Meetings and Open Records laws (T.C.A. §§8-44-101 et seq.; 10-7-503, 504) (guidance is available from the Office of Open Records Counsel);
 - c. not charging tuition, except for students transferring from another district to the school pursuant to the local board's out-of-district enrollment policy and T.C.A. §49-6-3003;
 - d. following state financial (budgeting and audit) procedures and reporting requirements according to T.C.A. §49-13-111, 120 and 127;
 - e. requiring any member of the governing body, employee, officer or other authorized person who receives funds, has access to funds, or has authority to make expenditures from funds, to give a surety bond in the form prescribed by T.C.A. §8-19-101; and
7. will, at all times, maintain all necessary and appropriate insurance coverage.

Signature: Allison Driver

Name of Authorized Signer: Allison Driver Title of Authorized Signer: Executive Director

Section I – Executive Summary

Overview

Established in 2003, SCA has a 15-year history, including some MNPS district “firsts”: the first charter school, the first to initiate school uniforms, the first to practice classroom inclusion of special education students, the first to offer standardized quarterly-testing to track student progress correlated to the (recently-retired) TCAP examination.

SCA serves Davidson County students in kindergarten through grade four. This year approximately 77% of the students are economically disadvantaged. The student majority lives in stressful environments with frequent disruptions and lifestyle habits that do not conduce to school success. Food insecurity occurs. The SCA staff provides consistency to support student growth, working always to ensure that students perform at their maximum potential academically and socially.

Significant history

1. Hallmarks of SCA include accepting all student applicants; providing a “home away from home” environment; attending to each child’s safety, affective needs, and academic progress.
2. Goals for SCA graduates include their ability to practice self-control, to function academically at or above grade level, and to exhibit positive values and habits that will ensure success in school and in life.
3. Diversity: Since 2003, the student population has shifted from almost 100% low-income African-American (“AA”) to 58% AA, 40% Latino, 1.5% White, 1.5 Asian; 23% middle income. These changes have enhanced students’ cultural understanding and cognitive skills.
4. A new Parenting Academy began in 2016-17. To date, 65 parents have participated in ELL and financial management classes. Parenting for School Success and GED classes are planned. This parent group also organizes school-family social and cultural events.
5. Finances: Project Reflect (SCA sponsor) owns the school property and, in 15 years, has never missed a mortgage payment. Auditor’s recommendations are always addressed.

The next ten years

1. Academics: SCA will continue its focus on basic skills in reading and mathematics and will use a non-graded approach in these two subjects. Students will be placed in homerooms according to age. Quarterly testing will identify students that should move to other classrooms for remedial or advanced learning in reading or math. This will benefit both faster and slower learners so that each child will be challenged at his or her rate and level of learning. Slow learners will receive additional tutoring to aid in achieving grade level.
2. Organization: The former, long-time executive director has retired. The former principal now directs the Parenting Academy. A new executive director since fall 2015 and a new school principal for fall 2017 will be the day-to-day leadership team undergirding higher academic performance, while maintaining the SCA hallmarks that students and their families value.
3. With these and other changes, SCA is poised to meet challenges and create opportunities to benefit the children and further strengthen the home-school partnership.

Section II – Academic Performance

An Important Word About Language

This renewal application will incorporate current practices plus plans for enhancement in the next ten years. Please note that verbs will differentiate between existing practices and new plans. A verb in the present tense identifies current practices. A verb in the future tense identifies an enhancement to the existing practice. For example:

- Teachers *report* once a week. = current practice
- Teachers *will report* once a week = future enhancement.

Hopefully, this language clue will clarify current and future planned practices.

Achievement Rating

The accountability Performance Summary 2003-14 (see Attachment 1) reflects school years 2011-15, years governed by the MNPS (charter) School Performance Accountability Model (“Accountability Model”). It is important to note that for school year 2011-12, SCA was targeted in the Accountability Model in achievement increase, but was not listed as a priority or targeted school by the Tennessee Department of Education (“TDOE”). Ratings for achievement increase in the Accountability Model for the next years were:

2012-13 – satisfactory achievement increase

2013-14 – exceeding achievement rating.

Due to testing issues statewide in years 2014-15 and 2015-16, the TDOE did not rate the academic performance of any elementary schools, including Smithson Craighead Academy.

Diversity

The Accountability Model targeted SCA in the area of diversity for the 2012-13 and 2013-14 school years. At that time, 99% of students were African-American and 1% of students were Hispanic/Latino. Those same years SCA excelled in the area of income/language/disability. Starting with school year 2014-15, ethnic diversity has increased each year with the influx of Hispanic/Latino students. Current student population is 58% African-American, 40% Hispanic/Latino, 1.5% White, and 1.5% Asian. SCA meets all four diversity measures - ethnic, income, language, disability.

Planned Academic Goals

Goal 1: Students will grow academically in reading, writing and math at an annual rate that moves Below Basic and Basic students toward Proficient, and ensures ongoing progress for Proficient and Advanced students:

- *Measure (a):* In a cohort analysis, student growth will average 5 percentile per year in core subjects of reading and math on the annual state assessment.
- *Measure (b):* All ethnic subgroups, ELL students and Special Education students will average the same 5 percentile per year as in Measure (a) above.
- *Measure (c):* Based on the Fountas and Pinnell assessment given in September, December and May, on average, K-2 students will demonstrate 1.5 years growth in reading comprehension and decoding.

Goal 2: Students will meet or exceed state standards for mastery in reading, writing, and math. 75% of students who attend SCA for two or more years will score Proficient or Advanced on the annual state assessment. This will obtain for the following subjects:

- *Measure (a)* - Reading and Writing
- *Measure (b)* - Math

In past years, SCA has had mixed results in meeting yearly academic goals: missing, meeting, or exceeding depending on the year. To reliably achieve the above goals, SCA will start in fall 2017 to test more frequently, will track student progress on a wall chart for each grade (as was done successfully in several past years), and will review student achievement with the principal to identify students that need help, what that help should be, and how to implement the adjusted plan. Based on tracked data, students that are not making adequate progress will receive additional in-school help and also may be referred for tutoring to the PREP After-School Program that operates on the school campus.

Using Assessment Data

1. The Fountas and Pinnell assessment will be given to all students:
 - In September to establish baseline performance scores
 - In December and in May to measure longitudinal growth.
2. For grades K-4, the Easy CBM is administered quarterly. It is also used to monitor Response to Instructional Intervention (RTII) progress: weekly for Tier 3 students, and biweekly for Tier 2 students.
3. Frequent, scheduled assessments will provide continuous snapshots to meet state standards.
4. All K-4 assessments provide data sets examined at the individual, cohort, and subgroup levels. It is used to evaluate and improve scope and sequence of instructional strategies, curricular resources, student supports, professional development needs, and staffing decisions.

Smithson Craighead Academy has relied heavily on the assessment of student progress as an important indicator of student achievement. The staff benefitted greatly when SCA had access to a district Data Coach. In the search for the new principal to replace the current interim leadership team, the Board of Directors is looking for someone who is committed to a strong data system to drive instruction.

Nature and Frequency of Data Analysis

1. The principal will oversee all data collection and analysis; will meet with teachers by grade level weekly and hold quarterly staff meetings to measure real-time assessment results against goals; will provide professional development for the staff on using data analysis with goal setting and to engage students in owning their academic performance.
2. Classroom teachers administer all assessments and make adjustments for their Response to Intervention and Instruction (RTII) groups.
3. Assessment results will be disaggregated by racial, socioeconomic, ELL and Special Education subgroups.
4. Families receive trimester results detailing academic achievement, attendance and alignment with SCA core values.
5. The Board of Directors receives school updates at each meeting. In future, that will include achievement, attendance and attrition data. Each June, the Board will ensure public release of assessment data aligned with the school's accountability plan.

Curriculum

1. SCA is named for Mary Smithson Craighead, distinguished educator and author of *Reading Success*. Her school guidelines, which SCA has adopted, are prioritized in order of importance as follows:
 -  Safety – children will feel and be safe at school
 -  Affective needs – constantly assessed and addressed
 -  Academic achievement – maximize every child’s potential
2. Daily schedule – starts with breakfast at 7:30 followed by a homeroom 15-minute Talk Time (values, current events, family stories, etc.) Reading and math follow next, same time in each classroom, which will allow for the non-graded movement between classrooms for some students in these subjects (see “non-graded learning” below). The rest of the day is scheduled for individual homerooms to incorporate science, social studies, math, physical education, lunch, and enrichment classes (art and music).
3. State Standards are strictly followed to measure benchmark skills and academic success.
4. Textbooks are selected by the principal in February in consultation with teachers at each grade level. Existing materials will be critiqued for strengths and weaknesses, and change or adaptation will be made accordingly for the new year.
5. K-4 classroom materials include book libraries, technology, and manipulatives for all learning modalities – visual, auditory, kinesthetic and auditory.
6. Foundational skills in reading and math are a major focus.
7. Reading/writing taught as reciprocal skills – students will read, discuss, and write about what they have read. Instruction will incorporate the four strands of language development : 1. Meaning focused input (listening/reading), 2. Meaning focused output (speaking/writing,) 3. Fluency Development, 4. Language-Focused Learning (word work/grammar/phonemic awareness). Of these, speech and writing have been weak points in the curriculum. The new principal will include speaking and writing skills proactively in the lesson plan format and will evaluate teachers according to the plans and their implementation.
8. Systematic instruction – Teachers use this for reading and math to engage and challenge students and close learning gaps. Teachers incorporate reading and math instruction throughout the day for proficiency in analysis, interpretation, and problem solving.
9. Easy CBM and summative assessments based on common core standards drive instruction. Universal screenings, progress monitoring, benchmark indicators, and standardized testing will identify ELA and mathematical abilities of the students.
10. Non-graded learning in reading and math. This began in 2003 when the school opened but has fallen out of use as originally practiced. For re-introduction in the next ten-year cycle:
 - Students will be assigned homerooms at the time of their enrollment based on their registered grade level. SCA homerooms will be identified by grade levels K-4. Students will study in homerooms with exceptions for reading and math.
 - Baseline assessments in September will identify students that perform below or above grade level. These students – for reading and math only – will move to other classes, up or down grade level to receive appropriate instruction at their rate and level of learning with the goal of having all students reach or exceed grade level by graduation.
11. Vocabulary enhancement – In an article called “The 30 Million Word Gap,” research by

University of Kansas' Betty Hart and Todd R. Riley (2003) revealed that children from high-income families are exposed to 30 million more words than children from families on welfare *by age three*. The gap widens as they get older. The majority of SCA students are from low-income families and have poor vocabularies, which limits ongoing learning. Budget restrictions have restricted SCA field trips to one or two per year per class. In the next ten years, the school will set a goal of two educational field trips per semester per grade level, which would be ten bus trips per semester, or 20 total. To fund this, SCA will target grants from smaller foundations, gofundme.com, and other resources. Reverse field trips will also be arranged. Teachers will use these experiences to expand vocabulary before and after the trip, and will assign writing using the new vocabulary.

12. **Teachers** are all highly-qualified. They participate in collaborative planning across grade levels to :

- Ensure consistency in curriculum design and assessment projects
- Address gaps in standards progression between grade levels
- Address students' needs as they transition through grade levels.

13. Teachers employ the following strategies during Reading/ELA and Math instruction:

- Mini lessons in which the teacher models or presents the skill or strategy being taught
- Student practice of the skill or strategy together with the teacher or educational assistant
- Small group work with teacher-guided instruction and assessment
- Independent and collaborative work targeting a specific skill or strategy
- Students will present their work to the class followed by classroom discussion

 **Technology** is used for online learning through Kahn Academy, Prodigy, and Let's Go Learn to prepare students for a tech world. In school year 2017-18, a school committee will be formed to research classroom/school technology aids, develop a budget, and identify new funding sources to purchase additional technology. This will be integrated across the curriculum. The enhanced technology teaching aids will include in-service training in how to use it effectively.

Plan for Students Who Are Academically Low Achieving

SCA uses and will use a variety of resources and techniques to address the need of low-achievers.

1. The Response to Intervention and Instruction (RTII) model – four steps to provide a variety of intervention programs and additional instructional strategies that may not be provided by the regular classroom teacher. Tier 1 intervention provides intervention for all students by the classroom teacher. Tier 2 provides intervention by an additional group of certified professionals in ways that are different from what the classroom teacher provides. This allows fluidity and for students to move in and out of classrooms and groups according to their needs and would include the non-graded placement for reading and math mentioned above. Tier 3 addresses those students who are given intense intervention for an eight-week period. Tier 3 intervention data is used to evaluate for S-Team meetings prior to psychological testing referral for learning disability. Tier 4 consists of students who have been identified to receive exceptional education services. Those students are served by a certified resource teacher.

2. Other interventions include small group instruction, one-on-one instruction with certificated professionals, technology-based instruction, and after-school tutoring in the PREP After-School Program that operates on the campus.

Instructional Leadership

1. The principal is accountable to the Project Reflect executive director who, in turn, is accountable to the Board of Directors. The accountability process includes a weekly leadership meeting involving executive director and principal. The agenda includes:
 - Follow up from the previous week's performance area discussion.
 - An overview by the principal of the week's school activities, challenges, progress, concerns, and updates.
 - Ideas the principal has for new initiatives.
 - A focus on one of the several principal performance areas:
 - What is going well?
 - What should be improved?
 - What are the challenges or barriers?
 - How can we work on improving that area?
 - What supports are needed?
 - Principal's personal growth. Long term and short term plans include readings, school visits, collaborations, workshops, conferences, and other professional development.
2. Effective principal leadership is evaluated by the executive director and outside consultant by:
 - Direct Observation* from weekly site visits and leadership meetings.
 - Indirect Observation* when the evaluator observes systems/processes that have been developed/implemented by the principal but observed without the principal present.
 - Reports* by the executive director documenting the principal's practices using guidelines in the TDOE Administrator Evaluation Rubric.
3. Lesson plans will be submitted in hard copy to the principal at least one week before the lesson occurs for approval. Lesson plans will be on file in the main office to be used for classroom observation and instructional improvement. This procedure has been absent in recent years but will be re-introduced with the new principle in fall 2017.
4. Classroom visitation – The principal visits each homeroom at least once per week to oversee instructional effectiveness and will also evaluate adherence to lesson plans. The executive director has engaged an instructional consultant to observe each homeroom teacher, one per week and reports (to the executive director now and to the principal starting in fall 2017) the results and recommendations in writing and discussion.
5. The principal will meet with each teacher four times a year - October, December, February, April – for a written and oral evaluation mentioning the teacher's strengths and weaknesses an student academic progress, and setting benchmarks for measurable improvement by the next evaluation. Teachers who are unable or unwilling to meet student academic progress, who are deemed unprofessional, or who otherwise do not reflect the standard for a caring, and effective SCA teacher will be notified in early April that their contract will not be

renewed for the following school year.

6. Teacher in-service – The current interim leadership team schedules, and the new principal will schedule, in-services using the MNPS calendar. Topics cover review and discussion of discipline protocols, new protocols, use of technology, classroom management, educational trends, working with special categories of students, ways to incorporate more hands-on learning, blending STEM activities with reading and math, etc.
7. Each teacher will be reimbursed for the cost of outside professional training – conference, class, purchase of pedagogical materials, etc. – up to \$200 per year.
8. Critical thinking is an area where there is room for improvement. In the next ten year cycle, lesson plans will clearly identify a critical thinking component in each lesson. Weekly classroom observations by the principal will identify teachers that are weak in this area. The principal can include in the bi-monthly teacher evaluations the critical thinking skills as one of the targeted areas for improvement with a benchmark, as needed, for some teachers.

Categories and Services for Exceptional Students

All students are assigned to a homeroom where learning is inclusive.

1. IEP (Individualized Education Plan) – Students with exceptional needs are provided an Individualized Education Plan (IEP) that identifies their disabilities and outlines the required services, a plan developed by the IEP team of professionals. Parents/guardians serve as members of the IEP team and must give their written permission for the plan to be implemented. All assessments (behavior, psychological, health and/or academic) are performed by licensed specialists according to state and federal guidelines.
2. At-Risk Students – Students are challenged on their independent learning levels through the Individualized Educational Plans (IEP), an appropriate and rigorous curriculum, and ability grouping. Assessment and standardized testing procedures will be implemented, including guidelines for modifications and adaptations, as needed, to monitor student progress and inform instruction. Staff development and in-service training will address effective strategies to ensure success for all students.
3. Students with disabilities are in the least restrictive environments that allow them to interact with non-disabled students. Students with disabilities have access to curricular activities and privileges provided for all students.
4. Gifted students – SCA has never had a working program for identifying and serving gifted students. A plan is needed, one that fits the resources of the school. Starting in September 2018, teachers will identify students that test high on the entrance examination and, by observation, are suspected of giftedness. (The National Association for Gifted Children states that “academically gifted and talented students in this country make up approximately six to ten percent of the total student population.”) Teachers will refer these names to the principal. A licensed specialist will assess and determine if a child meets MNPS qualifications for a gifted program. Additionally, students who test above grade level in reading or math will move from homeroom (during reading or math) up to the class level that builds on their skill set. In August 2018, the principal will ask for teacher volunteers to investigate and design a program for gifted students at SCA, a blueprint to involve, excite, and entice gifted students to learn at their rate and level of learning. Some of this program could be implemented in the homeroom The PREP After-School program that operates at the school is another resource

for gifted programming. In addition to online software – currently used are Kahn Academy, Prodigy, and Let’s Go Learn – gifted students could profit from a wide range of enrichment resources to supplement regular classroom learning (i.e. Rubik’s Cube, Scrabble, Chess, brain teasers, supplemental library books on subjects of interest, science and engineering fair projects, etc. This would start in August 2018.

5. English Language Learners (ELL) – SCA identifies English Language Learners through the Metropolitan Home Language Survey. Qualifying students are assessed by the staff of the MNPS English Learners Office. SCA will continue to provide one certified ELL teacher for every 40 ELL students, as required. Currently, the school is in full compliance with IDEIA (Individuals with Disabilities Education and Improvement Act). An excellent ELL teacher is on staff. Students who qualify for ELL services are placed in regular classrooms for the majority of the day. Based on their proficiency level, ELL students leave their classrooms for a session of daily individual or small group instruction in English language skills by a certified ELL teacher in a dedicated ELL classroom. SCA’s goal for ELL students is immersion in an English language program where they will flourish, learning from peers and teachers with added support of an ELL specialist for as long as needed.
6. 504 Services – A 504 plan gives students with medical health impairments that substantially limit their daily activities (i.e. Attention Deficit Disorder, sickle cell, seizure disorder, etc.). There is a 504 coordinator within the instructional staff who coordinates the implementation of the plan for individual students and provides professional development and in-service training to the instructional staff. The students are provided accommodations based on their medical impairment to give them equal opportunities for activities and success in school.
7. Supplemental Services – Through two certificated resource teachers, contracted personnel in speech/language, occupational therapy and a school psychologist who provides appropriate testing, services are provided to students who qualify. MNPS provides support to SCA through an Exceptional Education Coach who oversees compliance and instruction.

SCA complies with all requirements of monitoring, assessing and ensuring growth of disabled, ELL and other special needs students so they may achieve or surpass grade level standards and also flourish personally in a diverse, supportive environment

Section III – Operations and Governance

Mission

The Project Reflect mission is “Transforming communities through education.” The SCA motto is “Building brighter futures.” The theme of transformation runs through both of these statements. SCA leadership has always made each child a priority and used all subjects, experiences, and staff interactions to effect transformation from unknowing to knowledge, from defiance to cooperation, from withdrawal to engagement, from fear to confidence. The one aspect of the original charter that has faded over time is non-graded education. The plan to re-introduce non-graded education has been outlined above.

Parents and Students

During the almost 15-year history of SCA, parents and students overwhelmingly have been satisfied with the school environment. Students like to go to school. Parents like having their

children arrive home happy to have been at school. This is the result of a caring staff and the school guidelines prioritized by educator Mary Craighead:

-  Safety – children will feel and be safe at school
-  Affective needs – constantly assessed and addressed
-  Academic achievement – maximize every child’s potential

Classrooms have 20 or fewer students with one head teacher. Classrooms also have a full-time teaching assistant and/or a 3/4 time “granny.” Grannies are retired senior citizens who can do one-on-one tutoring. The grannies contribute to the home-away-from-home environment and are favorites of the children. Incentives, field trips, attractive halls and classrooms, no bullying, ethnic festivals, fair treatment, and personal attention help students to emotionally adopt the school.

SCA communicates with parents via a monthly newsletter and progress reports that cover academic and personal growth. Parents who sign up for text messages get additional news, backup invitations, and reminders for special events.

Parents, as a group, have indicated their satisfaction with the school program over the years. They have demonstrated loyalty and appreciation. Interestingly, since the school moved from its location on Brick Church Pike to Madison in 2014, Hispanic/Latino families in the Madison area began enrolling their children, attracted by the smaller student body and valuing of Hispanic/Latino culture. Their children are now over one-third of the student body. In fall 2017, Smithson Craighead Academy opened a Parent Academy that has been heavily influenced by and used by the Hispanic/Latino parents. Sixty-five parents so far have taken classes in English and Financial Management at their request. These parents have organized and hosted several special activities at the school around ethnic and holiday themes.

In the next ten years, the school would like to increase enrollment of White students and see greater engagement of African-American parents in school life.

- Enrollment – SCA’s recruitment in the past has been haphazard, although enrollment targets have generally been met. The school has hired a part-time marketer who is helping with recruitment. The school knows that by raising student academic achievement above the district average, more white parents in the Madison area may be persuaded to enroll their children.
- Greater parent participation – We know that African-American parents attend school functions that highlight their children, but the school will need to form a committee to investigate effective parent re-engagement strategies and design a plan to involve African-American parents in ways that enhance the school-home experience for those parents and, in turn, model valuing education for their children. One such offering is in the planning stages: a GED course through the SCA Parent Academy.

Organizational Capacity

1. Leadership Team: In academic year 2016-17, former principal Janelle Glover became the director of the Parent Academy mentioned above. Longtime SCA educators Dana Dillard-Jackson and Shameka Clark took over as the SCA administrative Leadership Team. Project

Reflect is currently conducting a search for a new principal for school year 2017-18. Other key administrators are Operations Director Lekita Stevenson, and PREP After-school Director Brianna McEntee. This Leadership Team reports to Executive Director Allison Driver.

2. Highly-qualified Teachers: All teachers at SCA are highly-qualified and are recruited as such. None are first year teachers. Teachers at each grade choose a team leader for that grade. The school has an active Parent Advisory Council and School Improvement Plan team comprised of administrators, faculty, and community supporters. SCA retains over 90% of staff each year.
3. Spanish language learning: Because SCA has a large Hispanic/Latino population, in the next ten years, SCA would like all educators to have some level of proficiency in Spanish conversation. Recruitment of teacher will include “some knowledge of Spanish language desired.” Educators that are not fluent in Spanish will be reimbursed up to \$200 one time to take a class or otherwise invest in materials and experiences to improve their Spanish language skills. The SCA receptionist has a cell phone app. that can translate Spanish to English and back, which enables her to communicate with parents with no problem
4. Written complaint policy: The school has a Board-approved policy that directs parents and employees up the leadership ladder step-by-step. The last appeal is to the Board of Directors. While the policy is in place, it has not been advertised consistently. In the next ten years, SCA will distribute the complaint policy to parents and staff at the beginning of each school year.
5. Discipline - SCA uses the Comprehensive, Integrated Three-Tiered (CI3T) Model of Prevention designed to address the academic, behavioral, and social needs of students. It is incorporated in the written “Smithson Craighead Academy School Year 2016-2017 Implementation Manual” that has been distributed to staff and parents. A teacher in-service each year addresses school discipline, this year using the CI3T model, which has worked effectively. Students with disabilities have been incorporated into the design of the model, as evidenced by four supporting research articles listed in the References section.
Enrollment is tied to the BEP, which supports much of the school budget. Historically, African-American enrollment has declined over the school year due to high mobility in SCA low-income student families. However, since the 2015-16 school year, student population has remained close to September numbers, as new students have enrolled during the school year to offset those that move. To better track enrollment changes, SCA will begin exit interview with parents that withdraw their children during the school year.
6. Diversity – SCA has met all four MNPS diversity targets as published in the district’s Diversity Management Plan:

ATTRIBUTE	APPROVED MNPS TARGET	TARGET MET?
ETHNIC	School enrolls at least two ethnic groups and each represents at least 30% of the school’s total enrollment	YES
INCOME	Percentage of students eligible for free or reduced meals is at least 2/3 the average for schools in its tier	YES
LANGUAGE	Percentage of students eligible for English language service is at least 2/3 the average for schools in its tier	YES
DISABILITY	Percentage of students classified with a disability is at least 2/3 the average for schools in its tier	YES

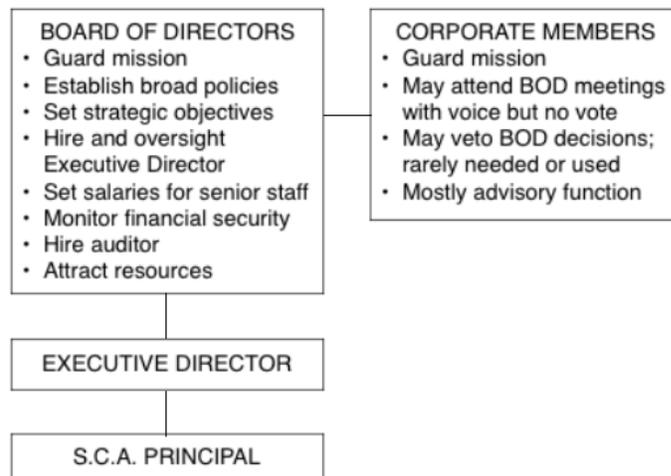
7.

The process of enrollment has enabled SCA to fulfill the MNPS diversity plan this year without special efforts to meet diversity enrollment and retention targets. Because the Madison campus is in an ethnically diverse neighborhood, it is likely that adequate diversity will occur naturally in future. Failing that, SCA will meet the challenge through targeted recruitment.

7. Program monitoring and continuous improvement – Program monitoring by executive director, principal, and an outside consultant has been described above in

Section II: Academic Performance. See also Board Oversight #4 below. An annual Continuous Improvement Plan report is required by the state and district. This requirement, which has always been met, is an opportunity that has been underused. That is, a continuous improvement plan could be and should be the culmination of a school-wide conversation including all staff, parents, and students. In the past, it has been written by the principal. In the next ten-year cycle beginning in 2018, the principal will initiate school evaluation meetings every six weeks that will bring together teachers, school administrators, and board members to discuss what works, what needs improvement, and an improvement plan. Each March, the school will send an evaluation questionnaire to all parents and will also invite parents to meet and discuss issues of importance to the parents..

8. Health and safety laws – Project Reflect has a school nurse on staff a licensed security officer, and otherwise complies with all school health and safety laws.
9. Facilities - SCA operates on a 24-acre campus owned by Project Reflect. There is a fenced-in area with play equipment; handicap-accessible buildings and grounds; a gym building with large gym/cafeteria, 16 classrooms for 11 homerooms, art, music, ELL, computer lab, small meetings (tutoring, etc.); and restrooms. The main office for the school is across the plaza in a second building. Plans are for all school functions to be in the gym building starting fall 2017 leaving the second building free for the Parent Academy, PREP After-School Program, and Project Reflect offices. This will require adjustments, but it will work and will be more convenient to have all school functions in one building.



Board Oversight

1. Project Reflect’s governance structure is shown in a diagram on the next page A list of the Board of Directors (“BOD”) and Corporate Members is attached as Appendix A. The BOD serves as the board for SCA. It hires and sets salaries for the executive director and the principal. The BOD oversees the executive director. The executive director oversees the principal. The principal hires and oversees all school staff. (See also “Instructional Leadership” above).
2. The BOD guards the mission and carries out the by-laws of the organization. The three standing committees are the Executive Committee, Finance, Development, and Education. The BOD meets once a year for board training and six times a year to conduct business; a financial report and a school update are standard agenda items so that the BOD is aware of

the status of the mission, stability of the organization, and effectiveness of the school program and can respond to needs as they occur.

3. Current board members include two attorneys, five educators, an events organizer, a Catholic deacon, a state representative (ex officio), and an SCA parent representative. Over the years, the BOD strength has been in governing the organization and school. It is not a fund-raising board, although members have brought many resources to the school and provided excellent legal advice and help pro bono, as needed.
4. School reporting prior to 2015 focused on school strengths and often left out issues and challenges with which the board could have, and would have, helped. However, since August 2015 that picture has changed through the efforts of the new executive director Allison Driver. Her leadership has been excellent, and she has used the board members to the school's advantage. She recruited an attorney to join the board this fiscal year, and she will work with the board to recruit in future. In a surprise move, the board selected Allison Driver to chair the board this year. While executive director as chair is discouraged by many, it is an accepted structure and has proven to be extremely effective for Project Reflect due to the servant leadership qualities and high moral standards of Allison Driver. She has proven her value as a strong link between school and board.
5. The board carries out the bylaws which provide for oversight benchmarks throughout the year, including a spring evaluation of executive director, principal, and board function. Because the executive director is board chair, an outside consultant will evaluate her performance in confidential consultation with all tiers of the organization. In July, during the annual board orientation, each board member signs a conflict of interest disclosure. When the new principal is hired, targeted for fall 2017, the board will begin a strategic planning process. Over six months, the board will evaluate all programs, resources, and needs in the Madison community in light of the mission aiming to responsibly and proactively fulfill the organization's mission of transformation.
6. The board does meet with school leadership regularly in meetings of the full board and Finance and Education committees, which is the process for oversight of programs and overall function of the school. It meets with other staff on occasion, but not on a regular schedule, and does not meet as a board with parents. However, the parent representative is the board liaison between board and parents, and she participates on the SCA Parent Advisory Committee and works part-time in the Parent Academy.

Governance

1. The board in past years has managed the purchase and sale of properties and represented Project Reflect and SCA to the bank and MNPS charter school office.
2. In its responsibility to hire and oversight staff leaders, the board hired and released with severance a short-term executive director whose strategic and financial vision for the organization differed from that of the board. Her replacement was the current executive director, Alison Driver, who is doing an excellent job. Project Reflect has always had at least one attorney on the board. One board attorney settled pro bono three law suits through mediation: (1) a student was left on the bus by a negligent driver after the night route (penalty paid by insurance), (2) a staff person alleged age discrimination (proved unfounded), and (3) a staff person alleged physical violence by the principal (proved unfounded).
3. Recruitment of new members has been haphazard but also effective. There is a recruitment timeline in the by-laws, but the operative recruitment process is that the board determines it

needs a new member with particular qualities, such as accounting, and asks during a board meeting if anyone knows of a candidate. Then that person is asked to talk with the candidate about membership. If the candidate accepts, he or she is interviewed and voted on at a board meeting and, if accepted, is seated immediately. The new board member receives a binder with the bylaws, history of the organization, organizational structure, and conflict of interest form. Board training takes place at the next annual training of the full board.

4. The conflict of interest policy is in the by-laws, and the policy form is signed annually by all board members at the start of each new fiscal year.
5. There is a written grievance policy for staff and parents that starts with addressing the issue to the complainant's supervisor - often the principal. If unresolved, it goes to the executive director. If unresolved, it ends with a hearing with the BOD. The board has had only one such hearing in 15 years. However, the policy needs to be distributed to parents and staff at the beginning of each school year.
6. All board meetings are open to the public except for business discussing personnel evaluations and issues that require confidentiality. Meeting dates, times, and place are posted and otherwise announced publicly at least 48 hours in advance in compliance with the law.

Legal Requirements

1. Legal responsibilities are divided between the board and the school leadership.
 - Board is responsible for compliance with the terms of the charter and adherence to state and federal laws. Open meetings, conflict of interest, and selection of auditor are handled by the board.
 - Board hires an independent accountant to conduct an annual audit of the charter school and deliver the audit report for approval.
 - The executive director and the principal share responsibilities for complying with state and local reporting requirement, safekeeping of documents in locked storage, teacher/staff licensing verification, facility compliance with asbestos abatement, and other legal requirements for charter schools.
2. The school leadership stays in communication with the MNPS charter school office to meet requirements for charter viability, such as this renewal application.
3. The board always has at least one attorney member to serve as legal consultant for the school. If the issue goes beyond the legal knowledge of the attorney, he or she identifies a colleague to address the issue, again, pro bono. This has happened on several occasions.
4. As for litigation, see #6 under "Governance" above.

Section IV – Budget and Finance

Budgeting and Long Range Planning

The Executive Director, along with the Board of Directors, the bookkeeper, and the school administration work to ensure that the necessary expenditures and resources are included in the school budget to satisfy the academic needs of the students. A financial planning meeting is held during the summer to fiscally plan for the upcoming school year. The budget in Attachment 2 was developed for this application by the executive director and bookkeeper, both of whom participate in the budgeting process annually. The primary goal is to create a budget that effectively funds the required personnel and non-personnel categories. Throughout the fiscal year, expenditures are controlled at the organizational level (i.e. salaries and benefits, contracted

services, materials and supplies, etc.) within each activity such as instruction, student personnel services, and school administration. Revenue received through federal grants such as Title I, Title II, Title III and IDEA are allocated and spent as specified in the annual budget and the spending plan. Accounting of funds through the federal programs, IDEA, the 21st Century grant, BEP funds, and any other private donations are documented through Quickbooks and our bank financial statements. The budget is rigorously followed, and all expenditures and purchases require approval from the Executive Director. The annual budget and any revisions are approved by the Board of Directors. The budget is also reviewed on an as-needed basis with regard to possible fiscal conditions that need to be addressed.

Internal Controls

The budgetary policies and procedures are modeled on best practices and Generally Accepted Accounting Principles (GAAP). Monthly financial statements reviewed by the board Finance Committee and full Board of Directors are restructured to include an accrual based statement of activities, cash flow statements, a balance sheet, and cash flow projections, giving decision makers better and more accurate information. A summary of accounting duties and protocols has been established. This clarifies how all fiduciary responsibilities should be carried out. The summary that is used to ensure that proper controls and protocols are in place can be found in Appendix C.

The Executive Director is working to establish a beneficial rapport with bank relationship managers under her leadership. Upon her appointment in August 2015, she worked initially with the pre-existing commercial representatives at Regions Bank. However, one primary goal is to pay off the remaining mortgage at Regions Bank in the amount of \$740,000, for the 24-acre Madison campus, and establish a partnership with another local bank to ensure that desired financial goals and desired banking experience are being met. The Executive Director plans to work interactively with the new relationship manager to establish a debt elimination plan and to further stabilize cash flows. Project Reflect has met and will continue to satisfy all of its financial needs and obligations.

Financial Reporting

Each year, the Project Reflect Board of Directors select an independent auditor to audit the school's financial affairs. The audit verifies the accuracy of the school's financial statements and reviews its internal controls. The audit is conducted in accordance with generally accepted accounting principles as reflected in the Tennessee Internal School Uniform Accounting Policy Manual and related documents maintained by the Metropolitan Nashville Public Schools. The 2015-2016 audit was conducted by Edmondson, Betzler, & Dame PLLC. The audit was favorable and the recommendations made by the auditor are listed in Appendix D. The audit is completed by the timeline specified by the State DOE and is submitted to the State DOE, Metropolitan Nashville Public Schools, and the Finance Committee of the Project Reflect Board of Directors. The auditors review any audit exceptions and report them to the Board of Directors with recommendations on how to resolve them. The board Finance Committee works with the Executive Director to develop effective approaches to address any internal control or compliance deficiencies identified by the external auditor.

Financial Condition

Revenues for operations of the school are received primarily from MNPS pursuant to the funding

provisions included in the school's Charter. The school reports the number of full-time equivalent (FTE) students and other pertinent student data specified by the MNPS system. The Basic Education Program (BEP) funding is based on the number of FTE identified students enrolled during the monthly survey period. Staffing is closely aligned with the number of students that are enrolled. There is a reserve fund for at least three months that is established through economical spending and following a stringent budget in order to create financial sustainability. Cash flow projections are prepared at the beginning of the fiscal year and the projections are reviewed and adjusted as necessary throughout the school year. Donations and fundraising goals are established during the annual Board of Directors Meeting and a status update is provided to the board by the Executive Director and/or the Bookkeeper monthly.

Targeted financial goals for the next three years, as set by the Executive Director, are as follows:

- Increase revenues annually by 5% to 10% through FY 2020
- Establish three to six months of operating cash reserves to start each FY
- Increase the funding sources in programming areas not covered by government sources by 15% each year
- Establish a capital improvements/maintenance fund
- Ensure financial sustainability and accountability
- Establish an endowment

Financial goal setting beyond year 2020 will be based on the status and attainment of the aforementioned goals.

APPENDIX A

Project Reflect Governance

July 1, 2016 - June 30, 2017

Board of Directors

Eunice Bell

James Cobb, J.D., Treasurer

Allison Driver, Chair

Rep. Brenda Gilmore, Ex Officio

Dn. James Holzemer

Rebecca A. Horton

Edward T. Kindall, J.D.

Jacqueline Mitchell, Ph.D.

Fr. John Raphael, Vice Chair

Betty Reynolds, Ed.D.

Carmen R. Villagrana, Parent Representative

Corporate Members

Irene Boyd

Mary Ann Dunn, Ex Officio

Mark Faulkner, Chair

Paul Ney, J.D.

Sandra Smithson, OSF

APPENDIX B – Resumé

Allison Driver, Executive Director

Project Reflect, Inc., 730 Neely's Bend Road, Madison, Tennessee 37115
615.228.9886, allison.driver@projectreflect.org

LEADERSHIP SYTLE

Servant Leader defined by Robert K. Greenleaf: listening, empathy, healing, awareness, persuasion, conceptualization, foresight, stewardship, commitment to the growth of people, and building community

EDUCATION

June 2004 M.A. – Organizational Management, University of Phoenix; GPA: 3.64
May 2002 B.S. – Business Admin., Fisk Univ., Presidential Scholar and Dean's List; GPA: 3.5

EMPLOYMENT**August 2003-Present Project Reflect, Inc., Nashville, TN**

Business Manager, Smithson Craighead Academy, promoted to Executive Director, August 2015

General Responsibilities

- Set and implement the highest ethical standards and quality control in policies and programs throughout the organization; ensure faithfulness to the mission
- Establish administrative/organizational leadership and procedures that maximize the effectiveness of the organization, its program areas, and individual employees.
- Monitor educational trends/research; work with staff and Board of Directors to respond creatively and wisely to changes in the larger community that impact programming
- Work with the following:
 - Project Reflect directors and school principal – Ensure quality programming with quantifiable outcomes yearly; require and support continuous improvement
 - Board of Directors – Recommend new members, orient and motivate the board, develop board agendas with Board Chair
 - Metro Schools, the State Dept. of Education, and other agencies – Ensure compliance and generate resources

Finance

- Employ conservative fiscal management to maximize resources
- Monitor finances and auditing process
- Ensure a unified purchasing policy that all employees understand and follow
- Develop annual budgets with the program directors and principal
- Maintain fiscal viability of the organization

Development

- Fundraising – Solicitation for budget and endowment, grant writing oversight, web-based engagement oversight, data management

Public Relations

- Project an image that accurately and clearly reflects our work in a positive light with donors, media, civic groups, volunteers, staff

Community Engagement

- Develop community and volunteer partnerships through businesses, corporations, the Chamber of Commerce, public officials, civic organizations, church groups, the music industry, other nonprofits, and local universities

Community Activities / Personal Profile

Nashville Chamber of Commerce, Education Committee; Madison Chamber of Commerce, Education Committee; Alpha Kappa Alpha Sorority; Board Member, Interdenominational Services of America (ISOA); member, St. Stephen Catholic Community; married to Brandon Driver Sr., children Brandon Jr., and Brooke Driver.

APPENDIX C Page 1 of 2

Smithson-Craighead Academy FY16-17				
Summary of Monthly Accounting Duties				
	Task	Frequency	Staff Responsible	Notes
CASH DISBURSEMENTS				
	Receives mail, opens bills & date stamps	daily	A.Driver	
	Approves bills for payment	weekly	A.Driver	
	Enters bills in QB and prints checks	weekly	L.Stevenson	
	Signs checks	weekly	A.Driver	
	Mails checks	weekly	A.Driver	
	Files vendor records	weekly	L.Stevenson	
	Reviews bill entry in QB for accuracy of GAAP	monthly	M. Lewellyn	
CASH RECEIPTS				
	Receives mail	daily	A.Driver	
	Collects donation & other funds received	daily	A.Driver	
	Enters donations into donor software	weekly	L.Stevenson	
	Enters funds received in QB and prepare bank deposit	weekly	L.Stevenson	
	Enter electronic deposits into QB (BEP and Grant payments)	weekly	L.Stevenson	
	Review deposit entry in QB for accuracy of GAAP	monthly	M. Lewellyn	
PAYROLL				
	Collect employee timesheets and prepare Excel summary of payroll hours worked & rates	bi-weekly	A.Driver	
	Review and approve Excel payroll sheet	bi-weekly	A.Driver	
	Process payroll in QB, remit direct deposits	bi-weekly	M. Lewellyn	
	Print Live Checks	bi-weekly	L. Stevenson	
	Enter PTO and sick time provided on Excel summary sheet into QB (happens during payroll entry)	bi-weekly	M. Lewellyn	
	File quarterly and annual payroll returns	quarterly	M. Lewellyn/Intuit	
BENEFITS				
	Provide monthly spreadsheet to Hylant showing FT staff salaries paid & confirming medical coverage & deductions	Usually due on or around the 25th of the month - Amanda Davenport typically emails a due date	M. Lewellyn	
	Report and pay TCRS retirement online	Monthly - due by 10th of following month	M. Lewellyn (prepare amounts to report)/A. Driver (submit amounts in TCRS)	Log in, report hours worked and wages paid and it calculates the amount due, then confirm payment and it drafts from the bank account.
	Report and pay Metlife contributions online	Due after each payroll run	M. Lewellyn to record draft in QB.	Same as TCRS, log on, report hours and wages, submit payment and it drafts

APPENDIX C Page 2 of 2

GRANTS				
	School Nutrition	Monthly	A.Driver	Allison collects meal counts and remits to state. Will email PHB with amount billed each month. PHB to record receivable and ensure electronic payment.
	Title 1	Monthly	M. Lewellyn	
	IDEA	Monthly	M. Lewellyn	The staff component works just like Title 1. For expense reimbursement, submit an invoice for SCA's speech therapist, along with copies of her bills for reimbursement. Followup is often needed to ensure timely payment.
	21st Century	Monthly	M. Lewellyn	This grant covers PREP After-school Program and is billed online through the TDOE website. PHB enters expenses, upload supporting reports from QB and remit to the state for payment. Payment is received electronically within a few days.
OTHER ITEMS				
	In-kind	Weekly	Lekita	SCA receives donated food from Second Harvest. Invoices are received and they need to be entered as JEs in QB.
	Bank reconciliations	Monthly	M. Lewellyn	
	Loan payments - drafted from bank account	Monthly	M. Lewellyn/L. Stevenson	Usually get a notice in the mail - need to be entered in QB
	Financial Statements	Monthly	M. Lewellyn	

APPENDIX D Page 1 of 3

Auditor Edmondson, Betzler & Dame, Recommendations for FY Ended June 30, 2016 – pages 56-58

**INDEPENDENT AUDITORS' 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, CONTINUED**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of 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*.

Organization's Response to Finding

The Organization's responses to the findings identified in our audit are described in the accompanying schedule of findings. The Organization's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Brentwood, Tennessee
December 15, 2016

APPENDIX D Page 2 of 3

**PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2016**

SIGNIFICANT DEFICIENCIES

2016-001 – Proper Recording of Payables

Condition and Criteria: The School did not properly record payables within its financial records throughout the fiscal year.

Effect: The School's financial records were significantly adjusted to reflect transactions involving payables.

Cause: The School failed to properly and promptly identify transactions that should be recorded as payables throughout the fiscal year.

Auditors Recommendations: We recommend that the School establish a system to identify and record payables throughout the fiscal year.

School's Response: A contract from the Metropolitan Nashville Public Schools System (MNPS) was never received during the 2014-2015 school year that they provided transportation so it was not known until the following school year that there was an outstanding amount from the prior year. The current Executive Director received an email from MNPS during the 2015-2016 school year stating that there was a balance due from the previous year for transportation services provided by the district. Therefore, in order to satisfy the balance, a payoff was deducted from the BEP payment. However, this payment to the district should have been reflected the prior year when this transportation service was provided under the leadership of the prior Executive Director but the current Executive Director wanted to satisfy all balances due to MNPS. All payments are have now been satisfied; therefore, the payables should be recorded correctly going forward.

2016-002 – Proper Recording of Pension Related Entries

Condition and Criteria: The School did not properly record pension related liabilities, deferred outflows of resources, deferred inflows of resources and effect on net position within its financial records.

Effect: The School's financial records were significantly adjusted to reflect transactions involving pension transactions.

Cause: The School failed to properly and promptly communicate to its third-party accounting provider transactions that should be recorded for the pension related transactions.

Auditors Recommendation: We recommend that the School establish a system to communicate and record pension related transactions throughout the fiscal year with its third-party accounting provider.

School's Response: When the current bookkeeper came on board, the pension information was not effectively communicated from the previous bookkeeping staff, and she was not in communication with the previous third party auditor. Therefore, our current bookkeeper will work with our current third party auditor to establish a system that will ensure that all pension related transactions are recorded properly.

APPENDIX D, Page 3 of 3

**PROJECT REFLECT INC.
SMITHSON CRAIGHEAD ACADEMY
STATUS OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2016**

Item #	Description of Condition	Status of Corretive Action
2015-001	Organizational Structure	This item has been resolved.
2015-002	Cash Receipts	This item has been resolved.
2015-003	Payroll Accruals	This item has been resolved.
2015-004	Disbursements	This item has been resolved.

ATTACHMENT 1

SUMMARY PERFORMANCE REPORT

2011-2015

ATTACHMENT 2

BUDGET AND FINANCIALS



METROPOLITAN
Nashville
PUBLIC SCHOOLS

2601 Bransford Ave. · Nashville, TN 37204

Carol Swann
Coordinator of Charter Schools
Office of Innovation
October 15, 2014

Ms. Nancy Denning-Martin
Smithson Craighead Academy
730 Neely's Bend Road
Madison, TN 37115

Dear Nancy,

On October 8, 2013, MNPS released the results of the Academic Performance Framework, and two days later, on October 10, notified Smithson Craighead of its status as a school in the "Target (red) range" for the prior two years, putting the school in jeopardy of a recommendation for revocation in October 2014 if substantial academic gains were not achieved.

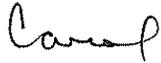
The Academic Performance Framework represents a balanced set of academic measures applied with equal weighting to all schools in the MNPS portfolio regardless of type. Both charter and non-charter schools are assessed using the same data points and weights in order to balance the assessment of student achievement, growth, readiness, gap reductions and measures of school culture.

We are encouraged that you and the staff at Smithson Craighead Academy challenged yourselves and your students and made significant gains in the 2013-14 school year. The effort and focus it took to make the academic gains shown on the current academic performance framework are to be celebrated and we want to not only sincerely congratulate you for those efforts, but challenge you to continue on this path to academic excellence!

Although the one-year gains are impressive, this Notice of Academic Concern serves as a reminder that in order to be recommended for simple renewal through a streamlined process at the end of your ten (10) year charter, Smithson Craighead Academy must have three years in the "achieving" (light green) or "excelling" (dark green) categories. Despite the one year gains, the three year average as of 2014 for Smithson Craighead is still in the "review (yellow)" status.

Please let us know how we can assist as you continue to strive for even greater academic success moving forward. As the district's first and oldest charter school, we are invested in the success of your students, and we appreciate your efforts to educate every child.

Warmest regards,



Carol A. Swann

Cc: Dr. Alan Coverstone

Sharon Gentry, MNPS Board Chair

Cameo Bobo, Board Administrator

JoAnn Brannon

Amy Frogge

Tyese Hunter

Elissa Kim

Mary Pierce

Will Pinkston

Anna Shepherd

Jill Speering



METROPOLITAN
Nashville
PUBLIC SCHOOLS

Dr. Alan Coverstone
Executive Officer, Office of Charter Schools
p 615.259.8587 © Alan.Coverstone@mnps.org
2601 Bransford Avenue © Nashville, TN 37204
October 28, 2015

Mr. Mark Faulkner
Besway Systems
305 Williams Avenue
Madison, TN 37115

Dear Mark:

On October 13, 2015, MNPS released the results of the Academic Performance Framework (APF), and Smithson-Craighead Academy was identified as a school in Target (Red) status for the school year 2014-15. This is the fourth time in the last five years that Smithson-Craighead has been so identified on an annual basis.

The Academic Performance Framework represents a balanced set of academic measures applied with equal weighting to all schools in the MNPS portfolio regardless of type. Both charter and non-charter schools are assessed using the same data points and weights in order to balance the assessment of student achievement, growth, readiness, gap reductions and measures of school culture.

Because of the strength of the school's performance in the 2013-14 school year, the 3-year APF average for the school is in Review (Yellow) status rather than Target. This is important because it enables the school to escape a recommendation for revocation of its charter and closure at the end of the 2015-16 school year.

The school remains on Probation for academic underachievement, and this letter serves to notify you of that status. In addition, we must make clear that failure to improve results dramatically during the 2015-16 school year will almost certainly lead to revocation in the fall of 2016, effective at the end of the 2016-17 school year. This letter serves notice that if the school is again identified as a Target (Red) school for 2015-16, that identification will mark the 5th of 6 consecutive years in which the school has been so identified and will result in recommendation to the MNPS Board of Education that the charter of the school be revoked.

Additional concerns center around the financial framework, as Smithson Craighead has amassed substantial debt and has consistently scored in the Review (Yellow) on our overall measures of financial health for the past three years. Charter law specifically prohibits an authorizing district from assuming debt incurred by a charter organization. We strongly urge the Project Reflect organization to take appropriate steps with their lending institutions to reduce the debt and regain solid financial status.

Dramatic improvement in performance will require more than simply achieving Review (Yellow) or Satisfactory (White) status next year. Although achieving at these levels may keep the school's 3-year average above Target (Red) status, the school's charter is up for renewal in 2018, and a renewal application must be submitted by April 1, 2017. If the school's 3-year average remains in the Review (Yellow) or Target (Red) range when the APF is released in the fall of 2016, the presumption of our renewal policy is that the school's charter will not be recommended for renewal.

Smithson-Craighead performed at a much higher level in 2013-14 than it has in any other year, proving what is possible for the organization to achieve on behalf of students. It is imperative that the school replicate and improve on those results this year if it is to have any chance of avoiding revocation next year or being considered for renewal the year following.

Smithson-Craighead is an important institution in Nashville, and it is an important charter school in our portfolio. Losing the school would be a great disappointment to our office and to many others in the city. However, continuing to underperform year after year has very real consequences for the students and families who put their trust and their academic futures in the school's hands, and it is on their behalf that we will take action to revoke or non-renew if academic performance does not improve radically this year.

Should your organization determine that it is unable to meet the expectations, we remain open to discussing the potential wisdom of voluntarily relinquishing the charter at the end of the school year without waiting for action the following fall. We are available to discuss this option should you choose to pursue it.

Smithson Craighead clearly has a great deal of work to do to meet the high expectations we place on our charter schools. The Office of Charter Schools is willing to assist where it can, but this will be a pivotal year for the organization.

Please let us know how we can assist, and we wish you the best.

Sincerely,



Alan Coverstone, Ed.D

cc: Allison Driver

Margot Deschenes

Chris Henson

MNPS Board of Public Education

Cameo Bobo

Carol Swann



Mrs. Allison Driver
Project Reflect, Inc.
Smithson Craighead Academy
730 Neely's Bend Road
Madison, TN, 37115

April 18, 2017

Dear Allison:

Since its establishment in 2002, Smithson Craighead Academy has struggled to achieve its stated academic mission to serve students who are at risk for low achievement. We recognize and honor that Smithson Craighead was the first charter school in Nashville, and that the founder, Sister Sandra Smithson, has dedicated her life to working with historically underserved students.

Despite the best efforts of the many people who share your vision, Smithson Craighead Academy has been unable to improve its performance, consistently deliver a quality academic program, and meet the student academic goals set forth by the State of Tennessee.

Not only has the school failed to meet academic benchmarks, there has been significant instability in leadership since the school opened, with leadership turnover having occurred numerous times over the past years. We believe this volatility has had a substantial negative impact on the ability of Smithson Craighead Academy to consistently deliver a quality educational program for its students.

In addition to this leadership instability, the lack of the school's financial resources has also impacted Smithson Craighead's ability to effectively serve students. Financial audits conducted by Edmondson, Betzler & Dame PLLC for the past two years have shown serious deficiencies, and the district has been notified recently that a vendor is cutting off service due to non-payment of invoices. An e-mail dated March 7, 2017 from Smithson Craighead requests an advance on the monthly payment, which is indicative of a lack of internal controls and serious cash flow problems.

Given the school's poor results, its inability to prepare students for academic success, leadership instability, and financial difficulties, coupled with a lack of significant, sustainable improvements, the Office of Charter Schools is putting Smithson Craighead on academic and financial probation beginning immediately, and continuing until the MNPS Board of Public Education makes a decision concerning the renewal application currently in our office for evaluation or other action. If that decision is to deny renewal, the probation will continue until the school closes.

Beginning May 1, 2017, the following documents are due to the Office of Charter Schools on a monthly basis:

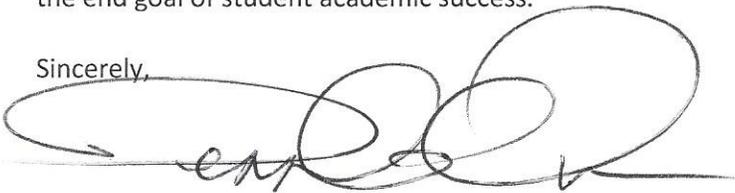
- A financial document that shows all sources of revenue, including private fundraising and grants; all expenditures, including vendors, payroll, federal Title monies, and payments to banks and lending institutions; bank balances.; monthly debt service to all banks and lending institutions; and cash flow
- All formative test data results that includes ELA and Math, academic benchmarks, and any summative data points. This document should clearly indicate how many students, based on the data thus far, should be considered on track for proficiency/advanced on upcoming state testing. Also due will be a synopsis of how that data is used to differentiate instruction, and work with students with disabilities, English language learners, and at-risk students. This needs to be high-level data that does not include specific student names.
- Monthly climate data that includes attendance, attrition, suspensions, expulsions, and parent complaints

Please make sure to submit the requested documents on the first day of each month beginning in May. Failure to comply with this request may result in an immediate revocation of your charter.

In addition, as we have done in past years, the Office of Charter Schools will be arranging for additional district supports for Smithson Craighead in the areas of curriculum, data driven instruction, special education, English Language learners, and finance at least until a decision is made regarding renewal. The school should be prepared to discuss all of the above requests during each monthly visit.

We sincerely hope that Smithson Craighead will be able to comply with this probationary period with the end goal of student academic success.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis G. Queen", written over a horizontal line.

Dennis G. Queen

PROJECT REFLECT INC

BALANCE SHEET

As of July 31, 2017

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
10700 Regions Operating 8721	8,491.28
10900 Regions SCA 4183	206.45
Total Bank Accounts	\$8,697.73
Total Current Assets	\$8,697.73
Fixed Assets	
Fixed Assets	
16110 Building - SCA Middle	1,516,297.42
16120 Building Improvements	719,303.89
16130 Classroom Books	14,032.62
16140 Computer Equipment	357,360.96
16180 Equipment	149,836.57
16200 Furniture & fixtures	87,596.36
16210 Land - operating	300,000.00
16240 Vehicles	22,500.00
Total Fixed Assets	3,166,927.82
Fixed Assets Deprec. & Amort.	
17120 Building & Imp - Accum. Deprec	-562,726.02
17130 Equipment - Accum. Deprec.	-426,692.12
17160 Building - Accum. Deprec.	-38,879.41
17180 Furniture & Fixtures - Acc Depr	-65,873.63
17190 Vehicles - Accum. Deprec.	-16,559.84
Total Fixed Assets Deprec. & Amort.	-1,110,731.02
Total Fixed Assets	\$2,056,196.80
Other Assets	
18000 Other long-term assets	561,584.75
Total Other Assets	\$561,584.75
TOTAL ASSETS	\$2,626,479.28
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20100 Accounts payable	86,979.40
Total Accounts Payable	\$86,979.40
Other Current Liabilities	
21000 Payroll Liabilities	29,445.67
25600 Current portion- long-term loan	42,392.05
DON Bridge Loan	83,000.00
Total Other Current Liabilities	\$154,837.72
Total Current Liabilities	\$241,817.12

	TOTAL
Long-Term Liabilities	
27200 Regions Commercial Loan 8958	671,734.52
28000 28000 - Deferred Inflows of Resc	361,722.00
28100 28100 - Net Pension Liability	219,743.00
Total Long-Term Liabilities	\$1,253,199.52
Total Liabilities	\$1,495,016.64
Equity	
30000 Unrestricted net assets	1,587,527.22
30100 Unrestrict (retained earnings)	-379,084.29
Net Income	-76,980.29
Total Equity	\$1,131,462.64
TOTAL LIABILITIES AND EQUITY	\$2,626,479.28

PROJECT REFLECT INC

TRANSACTION REPORT

July 2017

DATE	TRANSACTION TYPE	NUM	ADJ	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
75000 Personnel Expenses									
72500 Payroll taxes									
07/01/2017	Journal Entry	105	No		Reverse Payroll Accrual	72500 Personnel Expenses:Payroll taxes	-Split-	-1,932.18	-1,932.18
Total for 72500 Payroll taxes								\$ -1,932.18	
72520 Medicare									
07/14/2017	Journal Entry	108	No			72520 Personnel Expenses:Payroll taxes:Medicare	-Split-	844.71	844.71
07/28/2017	Journal Entry	109	No			72520 Personnel Expenses:Payroll taxes:Medicare	-Split-	508.36	1,353.07
Total for 72520 Medicare								\$1,353.07	
72530 Social Security									
07/14/2017	Journal Entry	108	No			72530 Personnel Expenses:Payroll taxes:Social Security	-Split-	3,611.87	3,611.87
07/28/2017	Journal Entry	109	No			72530 Personnel Expenses:Payroll taxes:Social Security	-Split-	2,173.73	5,785.60
07/28/2017	Journal Entry	109	No			72530 Personnel Expenses:Payroll taxes:Social Security	-Split-	1,191.49	6,977.09
Total for 72530 Social Security								\$6,977.09	
72540 State Unemployment									
07/14/2017	Journal Entry	108	No			72540 Personnel Expenses:Payroll taxes:State Unemployment	-Split-	257.93	257.93
07/28/2017	Journal Entry	109	No			72540 Personnel Expenses:Payroll taxes:State Unemployment	-Split-	270.63	528.56
Total for 72540 State Unemployment								\$528.56	
Total for 72500 Payroll taxes with subs								\$6,926.54	
750005 School Employees									
750130 Educational Assistants									
07/01/2017	Journal Entry	105	No		Reverse Payroll Accrual	750130 Personnel Expenses:School Employees:Educational Assistants	-Split-	-3,248.08	-3,248.08
07/14/2017	Check	6456	No	Christina Cherry		750130 Personnel Expenses:School Employees:Educational Assistants	10700 Regions Operating 8721	515.54	-2,732.54
07/28/2017	Journal Entry	109	No			750130 Personnel Expenses:School Employees:Educational Assistants	-Split-	4,000.00	1,267.46
Total for 750130 Educational Assistants								\$1,267.46	
750340 Teachers									
07/01/2017	Journal Entry	105	No		Reverse Payroll Accrual	750340 Personnel Expenses:School Employees:Teachers	-Split-	-17,386.47	-17,386.47
07/14/2017	Journal Entry	108	No			750340 Personnel Expenses:School Employees:Teachers	-Split-	38,942.00	21,555.53
07/28/2017	Journal Entry	109	No			750340 Personnel Expenses:School Employees:Teachers	-Split-	19,859.32	41,414.85
Total for 750340 Teachers								\$41,414.85	
Total for 750005 School Employees								\$42,682.31	
750010 Support Employees									
750100 Custodian/Maintenance									
07/01/2017	Journal Entry	105	No		Reverse Payroll Accrual	750100 Personnel Expenses:Support Employees:Custodian/Maintenance	-Split-	-419.21	-419.21
07/14/2017	Journal Entry	108	No			750100 Personnel Expenses:Support Employees:Custodian/Maintenance	-Split-	2,153.85	1,734.64
07/28/2017	Journal Entry	109	No			750100 Personnel Expenses:Support Employees:Custodian/Maintenance	-Split-	1,880.85	3,615.49
Total for 750100 Custodian/Maintenance								\$3,615.49	
750150 Food Service Provider									
07/01/2017	Journal Entry	105	No		Reverse Payroll Accrual	750150 Personnel Expenses:Support Employees:Food Service Provider	-Split-	-596.16	-596.16
07/14/2017	Journal Entry	108	No			750150 Personnel Expenses:Support Employees:Food Service Provider	-Split-	80.62	-515.54
07/14/2017	Check	6455	No	Sister Mary Acerbi		750150 Personnel Expenses:Support Employees:Food Service Provider	10700 Regions Operating 8721	515.54	0.00
Total for 750150 Food Service Provider								\$0.00	
750160 General Support Staff									
07/01/2017	Journal Entry	105	No		Reverse Payroll Accrual	750160 Personnel Expenses:Support Employees:General Support Staff	-Split-	-3,249.23	-3,249.23
07/14/2017	Journal Entry	108	No			750160 Personnel Expenses:Support Employees:General Support Staff	-Split-	11,248.09	7,998.86

DATE	TRANSACTION TYPE	NUM	ADJ	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
07/28/2017	Journal Entry	109	No			750160 Personnel Expenses:Support Employees:General Support Staff	-Split-	2,350.10	10,348.96
Total for 750160 General Support Staff								\$10,348.96	
750300 Secretaries									
07/01/2017	Journal Entry	105	No		Reverse Payroll Accrual	750300 Personnel Expenses:Support Employees:Secretaries	-Split-	-1,057.69	-1,057.69
07/14/2017	Journal Entry	108	No			750300 Personnel Expenses:Support Employees:Secretaries	-Split-	1,480.82	423.13
07/28/2017	Journal Entry	109	No			750300 Personnel Expenses:Support Employees:Secretaries	-Split-	2,200.00	2,623.13
Total for 750300 Secretaries								\$2,623.13	
750310 Security Officer									
07/01/2017	Journal Entry	105	No		Reverse Payroll Accrual	750310 Personnel Expenses:Support Employees:Security Officer	-Split-	-735.59	-735.59
07/14/2017	Journal Entry	108	No			750310 Personnel Expenses:Support Employees:Security Officer	-Split-	1,634.62	899.03
Total for 750310 Security Officer								\$899.03	
750330 Supervisor/Director									
07/14/2017	Journal Entry	108	No			750330 Personnel Expenses:Support Employees:Supervisor/Director	-Split-	1,846.16	1,846.16
07/28/2017	Journal Entry	109	No			750330 Personnel Expenses:Support Employees:Supervisor/Director	-Split-	3,692.31	5,538.47
Total for 750330 Supervisor/Director								\$5,538.47	
Total for 750010 Support Employees								\$23,025.08	
750200 Employee Benefits									
750320 State Retirement									
07/01/2017	Bill		No	TCRS		750320 Personnel Expenses:Employee Benefits:State Retirement	20100 Accounts payable	6,466.79	6,466.79
Total for 750320 State Retirement								\$6,466.79	
Total for 750200 Employee Benefits								\$6,466.79	
750380 Payroll Expenses									
750385 Payroll Processing									
07/14/2017	Journal Entry	108	No			750385 Personnel Expenses:Payroll Processing	-Split-	162.75	162.75
Total for 750385 Payroll Processing								\$162.75	
Total for 750380 Payroll Expenses								\$162.75	
Total for 75000 Personnel Expenses								\$79,263.47	
81000 Non-personnel expenses									
81030 Bank Service Charges									
07/10/2017	Expense		No	Regions	ANALYSIS CHARGE	06-17 81030 Non-personnel expenses:Bank Service Charges	10900 Regions SCA 4183	45.00	45.00
Total for 81030 Bank Service Charges								\$45.00	
81090 Interest expense - loan repay									
07/03/2017	Bill		No	Regions		81090 Non-personnel expenses:Interest expense - loan repay	20100 Accounts payable	2,865.21	2,865.21
Total for 81090 Interest expense - loan repay								\$2,865.21	
81092 Maintenance-Bldg & Grounds									
81120 Pest Control									
07/10/2017	Bill	366822701	No	Terminix Commercial	July 2017	81120 Non-personnel expenses:Maintenance-Bldg & Grounds:Pest Control	20100 Accounts payable	108.00	108.00
Total for 81120 Pest Control								\$108.00	
81160 Repairs and Maintenance									
07/07/2017	Bill	58792	No	Russell's Glass & Mirror, LLC	Repair Glass Door 31 1/8 X 72 1/2	81160 Non-personnel expenses:Maintenance-Bldg & Grounds:Repairs and Maintenance	20100 Accounts payable	300.00	300.00
Total for 81160 Repairs and Maintenance								\$300.00	
Total for 81092 Maintenance-Bldg & Grounds								\$408.00	
81135 Printing/Production									
07/17/2017	Bill	INV1964602	No	Robert J Young	Contract Invoice	81135 Non-personnel expenses:Printing/Production	20100 Accounts payable	320.32	320.32
Total for 81135 Printing/Production								\$320.32	
81200 Supplies									
81225 Food Supplies									
07/07/2017	Bill		No	Second Harvest Food Bank		81225 Non-personnel expenses:Supplies:Food Supplies	20100 Accounts payable	18.87	18.87
07/13/2017	Bill	213055	No	Second Harvest Food Bank		81225 Non-personnel expenses:Supplies:Food Supplies	20100 Accounts payable	20.71	39.58
Total for 81225 Food Supplies								\$39.58	
81280 Uniforms									
07/13/2017	Deposit		No			81280 Non-personnel expenses:Supplies:Uniforms	10700 Regions Operating 8721	-30.00	-30.00
Total for 81280 Uniforms								\$ -30.00	

DATE	TRANSACTION TYPE	NUM	ADJ	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
Total for 81200 Supplies								\$9.58	
81300 Telephone & telecommunications									
07/01/2017	Bill	9788397086	No	Verizon Wireless		81300 Non-personnel expenses:Telephone & telecommunications	20100 Accounts payable	278.79	278.79
07/05/2017	Expense		No	AT & T 1505	ATT Payment	81300 Non-personnel expenses:Telephone & telecommunications	10700 Regions Operating 8721	487.98	766.77
07/12/2017	Deposit		No		Refund	81300 Non-personnel expenses:Telephone & telecommunications	10700 Regions Operating 8721	-2,500.00	-1,733.23
Total for 81300 Telephone & telecommunications								\$ -1,733.23	
82200 Utilities									
82220 Gas									
07/07/2017	Bill	07072011	No	Piedmont Natural Gas	July 2017 Bill	82220 Non-personnel expenses:Utilities:Gas	20100 Accounts payable	53.59	53.59
Total for 82220 Gas								\$53.59	
82230 Internet Expense									
07/13/2017	Bill	072017	No	Comcast	July 2017 - Internet & Voice	82230 Non-personnel expenses:Utilities:Internet Expense	20100 Accounts payable	131.33	131.33
Total for 82230 Internet Expense								\$131.33	
82240 Waste Disposal									
07/10/2017	Bill	07102017	No	Waste Management	July 2017	82240 Non-personnel expenses:Utilities:Waste Disposal	20100 Accounts payable	510.71	510.71
Total for 82240 Waste Disposal								\$510.71	
82250 Water									
07/03/2017	Bill	07032017	No	Metro Water Services	July 2017	82250 Non-personnel expenses:Utilities:Water	20100 Accounts payable	327.99	327.99
07/15/2017	Bill	07252017	No	Madison Suburban Utility District	July 2017 - SPRK	82250 Non-personnel expenses:Utilities:Water	20100 Accounts payable	22.85	350.84
07/15/2017	Bill	07252017	No	Madison Suburban Utility District	July 2017 - MSUD	82250 Non-personnel expenses:Utilities:Water	20100 Accounts payable	205.47	556.31
07/15/2017	Bill	07252017	No	Madison Suburban Utility District	July 2017 - Backflow	82250 Non-personnel expenses:Utilities:Water	20100 Accounts payable	100.00	656.31
Total for 82250 Water								\$656.31	
Total for 82200 Utilities								\$1,351.94	
Total for 81000 Non-personnel expenses								\$3,266.82	
TOTAL								\$82,530.29	

PROJECT REFLECT INC

PROFIT AND LOSS

July 2017

	TOTAL
INCOME	
40000 Contributions - Unrestricted	
40100 Indiv/business contribution	5,550.00
Total 40000 Contributions - Unrestricted	5,550.00
Total Income	\$5,550.00
GROSS PROFIT	
	\$5,550.00
EXPENSES	
75000 Personnel Expenses	
72500 Payroll taxes	-1,932.18
72520 Medicare	1,353.07
72530 Social Security	6,977.09
72540 State Unemployment	528.56
Total 72500 Payroll taxes	6,926.54
750005 School Employees	
750130 Educational Assistants	1,267.46
750340 Teachers	41,414.85
Total 750005 School Employees	42,682.31
750010 Support Employees	
750100 Custodian/Maintenance	3,615.49
750160 General Support Staff	10,348.96
750300 Secretaries	2,623.13
750310 Security Officer	899.03
750330 Supervisor/Director	5,538.47
Total 750010 Support Employees	23,025.08
750200 Employee Benefits	
750320 State Retirement	6,466.79
Total 750200 Employee Benefits	6,466.79
750380 Payroll Expenses	
750385 Payroll Processing	162.75
Total 750380 Payroll Expenses	162.75
Total 75000 Personnel Expenses	79,263.47
81000 Non-personnel expenses	
81030 Bank Service Charges	45.00
81090 Interest expense - loan repay	2,865.21
81092 Maintenance-Bldg & Grounds	
81120 Pest Control	108.00
81160 Repairs and Maintenance	300.00
Total 81092 Maintenance-Bldg & Grounds	408.00
81135 Printing/Production	320.32
81200 Supplies	
81225 Food Supplies	39.58
81280 Uniforms	-30.00

	TOTAL
Total 81200 Supplies	9.58
81300 Telephone & telecommunications	-1,733.23
82200 Utilities	
82220 Gas	53.59
82230 Internet Expense	131.33
82240 Waste Disposal	510.71
82250 Water	656.31
Total 82200 Utilities	1,351.94
Total 81000 Non-personnel expenses	3,266.82
Total Expenses	\$82,530.29
NET OPERATING INCOME	\$ -76,980.29
NET INCOME	\$ -76,980.29

PROJECT REFLECT INC

TRANSACTION REPORT

July 2017

DATE	TRANSACTION TYPE	NUM	ADJ	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
40000 Contributions - Unrestricted									
40100 Indiv/business contribution									
07/03/2017	Deposit		No	Sister Sandra		40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	3,000.00	3,000.00
07/03/2017	Deposit		No			40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	1,000.00	4,000.00
07/03/2017	Deposit		No	Board Member Annual Donation		40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	500.00	4,500.00
07/03/2017	Deposit		No			40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	200.00	4,700.00
07/06/2017	Deposit		No	Contribution		40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	300.00	5,000.00
07/06/2017	Deposit		No	Let's Go Learn - S. Sandra		40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	100.00	5,100.00
07/12/2017	Deposit		No	Donation		40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	200.00	5,300.00
07/12/2017	Deposit		No	Donation		40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	100.00	5,400.00
07/13/2017	Deposit		No	S. Mary Acerbi		40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	100.00	5,500.00
07/13/2017	Deposit		No	S. Mary Acerbi		40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	50.00	5,550.00
Total for 40100 Indiv/business contribution								\$5,550.00	
Total for 40000 Contributions - Unrestricted								\$5,550.00	
TOTAL								\$5,550.00	

PROJECT REFLECT INC

STATEMENT OF CASH FLOWS

July 2017

	TOTAL
OPERATING ACTIVITIES	
Net Income	-76,980.29
Adjustments to reconcile Net Income to Net Cash provided by operations:	
11100 Accounts receivable	9,156.65
20100 Accounts payable	-10,290.71
21000 Payroll Liabilities	-9,039.67
21100 Accrued payroll	-21,998.81
DON Bridge Loan	83,000.00
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	50,827.46
Net cash provided by operating activities	\$ -26,152.83
FINANCING ACTIVITIES	
27200 Regions Commercial Loan 8958	-3,670.79
Net cash provided by financing activities	\$ -3,670.79
NET CASH INCREASE FOR PERIOD	\$ -29,823.62
CASH AT BEGINNING OF PERIOD	38,521.35
CASH AT END OF PERIOD	\$8,697.73

PROJECT REFLECT INC

BALANCE SHEET

As of June 30, 2017

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
10100 Regions Operating 5380	0.00
10400 Petty cash	0.00
10700 Regions Operating 8721	38,919.53
10900 Regions SCA 4183	94.80
10950 Regions Business MM 8810	0.00
10955 Regions Debit 7684	0.00
Total Bank Accounts	\$39,014.33
Accounts Receivable	
11100 Accounts receivable	2,895.05
12400 Grants Rec. Deferred 21st Cent	0.00
Grants Rec Deferred LEAPS	0.00
Total Accounts Receivable	\$2,895.05
Other Current Assets	
12990 Undeposited Funds	0.00
13150 Employee Advance	0.00
13200 Notes/loans receivables	0.00
13300 Other Receivable	0.00
13500 Payroll Assets	0.00
13700 Payroll Service Customer Asset	0.00
14100 Inventories for sale	0.00
14200 Inventories for use	0.00
14500 Prepaid expenses	0.00
Total Other Current Assets	\$0.00
Total Current Assets	\$41,909.38
Fixed Assets	
Fixed Assets	
16100 Building - SCA Elementary	0.00
16110 Building - SCA Middle	1,516,297.42
16120 Building Improvements	719,303.89
16130 Classroom Books	14,032.62
16140 Computer Equipment	357,360.96
16150 Computer Tables	0.00
16160 Development - R/S Textbook	0.00
16170 Development - Software	0.00
16180 Equipment	149,836.57
16190 Furniture - RMC	0.00
16200 Furniture & fixtures	87,596.36
16210 Land - operating	300,000.00
16220 Leasehold improvements	0.00
16230 Playground Equipment	0.00

	TOTAL
16240 Vehicles	22,500.00
16250 Construction in progress	0.00
Total Fixed Assets	3,166,927.82
Fixed Assets Deprec. & Amort.	
17100 Accum Amort - Classroom Books	0.00
17110 Accum. Deprec. Classroom Books	0.00
17120 Building & Imp - Accum. Deprec	-562,726.02
17130 Equipment - Accum. Deprec.	-426,692.12
17140 RMC Building - Accum. Deprec.	0.00
17150 RMC Equipment - Accum. Deprec.	0.00
17160 Building - Accum. Deprec.	-38,879.41
17170 Leasehold improv - Accum Amort	0.00
17180 Furniture & Fixtures - Acc Depr	-65,873.63
17190 Vehicles - Accum. Deprec.	-16,559.84
Total Fixed Assets Deprec. & Amort.	-1,110,731.02
Total Fixed Assets	\$2,056,196.80
Other Assets	
18000 Other long-term assets	561,584.75
Total Other Assets	\$561,584.75
TOTAL ASSETS	\$2,659,690.93

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

Accounts Payable

20100 Accounts payable	66,721.38
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Total Accounts Payable	\$66,721.38
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Other Current Liabilities

20210 Payroll Taxes Payable	0.00
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21000 Payroll Liabilities	49,830.12
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21100 Accrued payroll	21,998.81
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21110 Direct Deposit Liabilities	0.00
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21130 Citizens Bank LOC	0.00
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21140 Regions Line of Credit 4201	0.00
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21150 Loan from Sister Sandra	0.00
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21152 Loan from Joan Anderson	0.00
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21250 Regions 2nd LOC 7176	0.00
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21350 Regions Const. Loan Current	0.00
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21500 Accrued expenses - other	0.00
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23100 Deferred contract revenue	0.00
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25100 Trustee & employee loan payable	0.00
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25600 Current portion- long-term loan	42,392.05
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DON Bridge Loan	0.00
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Loan from Allison Driver	0.00
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Loan from Brandon Driver	0.00
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Loan from Sister Mary	0.00
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Total Other Current Liabilities	\$114,220.98
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Total Current Liabilities	\$180,942.36
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Long-Term Liabilities

	TOTAL
27100 Citizens Bank Construction Loan	0.00
27200 Regions Commercial Loan 8958	675,405.31
27300 Regions Const Loan 0540	0.00
28000 28000 - Deferred Inflows of Resc	361,722.00
28100 28100 - Net Pension Liability	219,743.00
Total Long-Term Liabilities	\$1,256,870.31
Total Liabilities	\$1,437,812.67
Equity	
30000 Unrestricted net assets	1,587,527.22
30010 Opening Bal Equity	0.00
30100 Unrestrict (retained earnings)	-136,897.82
31000 Temporarily restrict net asset	0.00
Net Income	-228,751.14
Total Equity	\$1,221,878.26
TOTAL LIABILITIES AND EQUITY	\$2,659,690.93

PROJECT REFLECT INC

TRANSACTION REPORT

June 2017

DATE	TRANSACTION TYPE	NUM	ADJ	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
75000 Personnel Expenses									
72500 Payroll taxes									
06/30/2017	Journal Entry	104	No		Payroll accrual June 26 - 30	72500 Personnel Expenses:Payroll taxes	-Split-	1,932.18	1,932.18
Total for 72500 Payroll taxes								\$1,932.18	
72520 Medicare									
06/01/2017	Journal Entry	95	No			72520 Personnel Expenses:Payroll taxes:Medicare	-Split-	673.27	673.27
06/16/2017	Journal Entry	99	No			72520 Personnel Expenses:Payroll taxes:Medicare	-Split-	650.50	1,323.77
06/29/2017	Journal Entry	102	No			72520 Personnel Expenses:Payroll taxes:Medicare	-Split-	72.50	1,396.27
06/30/2017	Journal Entry	103	No			72520 Personnel Expenses:Payroll taxes:Medicare	-Split-	733.31	2,129.58
06/30/2017	Journal Entry	101	No			72520 Personnel Expenses:Payroll taxes:Medicare	-Split-	651.81	2,781.39
Total for 72520 Medicare								\$2,781.39	
72530 Social Security									
06/01/2017	Journal Entry	95	No			72530 Personnel Expenses:Payroll taxes:Social Security	-Split-	2,878.73	2,878.73
06/16/2017	Journal Entry	99	No			72530 Personnel Expenses:Payroll taxes:Social Security	-Split-	2,781.55	5,660.28
06/29/2017	Journal Entry	102	No			72530 Personnel Expenses:Payroll taxes:Social Security	-Split-	310.00	5,970.28
06/30/2017	Journal Entry	103	No			72530 Personnel Expenses:Payroll taxes:Social Security	-Split-	3,092.28	9,062.56
06/30/2017	Journal Entry	101	No			72530 Personnel Expenses:Payroll taxes:Social Security	-Split-	2,786.92	11,849.48
Total for 72530 Social Security								\$11,849.48	
72540 State Unemployment									
06/01/2017	Journal Entry	95	No			72540 Personnel Expenses:Payroll taxes:State Unemployment	-Split-	161.38	161.38
06/16/2017	Journal Entry	99	No			72540 Personnel Expenses:Payroll taxes:State Unemployment	-Split-	60.00	221.38
06/30/2017	Journal Entry	101	No			72540 Personnel Expenses:Payroll taxes:State Unemployment	-Split-	43.12	264.50
06/30/2017	Journal Entry	103	No			72540 Personnel Expenses:Payroll taxes:State Unemployment	-Split-	68.38	332.88
Total for 72540 State Unemployment								\$332.88	
Total for 72500 Payroll taxes with subs								\$16,895.93	
750005 School Employees									
750080 Computer Lab Coordinator									
06/30/2017	Journal Entry	103	No			750080 Personnel Expenses:School Employees:Computer Lab Coordinator	-Split-	16,047.73	16,047.73
Total for 750080 Computer Lab Coordinator								\$16,047.73	
750130 Educational Assistants									
06/01/2017	Journal Entry	95	No			750130 Personnel Expenses:School Employees:Educational Assistants	-Split-	5,131.39	5,131.39
06/02/2017	Check	6448	No	Christina Cherry		750130 Personnel Expenses:School Employees:Educational Assistants	10700 Regions Operating 8721	886.53	6,017.92
06/16/2017	Check	6451	No	Christina Cherry		750130 Personnel Expenses:School Employees:Educational Assistants	10700 Regions Operating 8721	977.11	6,995.03
06/16/2017	Journal Entry	99	No			750130 Personnel Expenses:School Employees:Educational Assistants	-Split-	5,303.85	12,298.88
06/30/2017	Journal Entry	103	No			750130 Personnel Expenses:School Employees:Educational Assistants	-Split-	16,618.28	28,917.16
06/30/2017	Journal Entry	101	No			750130 Personnel Expenses:School Employees:Educational Assistants	-Split-	5,519.06	34,436.22
06/30/2017	Check	6453	No	Christina Cherry		750130 Personnel Expenses:School Employees:Educational Assistants	10700 Regions Operating 8721	977.10	35,413.32
06/30/2017	Journal Entry	104	No		Payroll accrual June 26 - 30	750130 Personnel Expenses:School Employees:Educational Assistants	-Split-	3,248.08	38,661.40
Total for 750130 Educational Assistants								\$38,661.40	
750280 Principals									
06/30/2017	Journal Entry	103	No			750280 Personnel Expenses:School Employees:Principals	-Split-	136,101.07	136,101.07
Total for 750280 Principals								\$136,101.07	
750340 Teachers									
06/01/2017	Journal Entry	95	No			750340 Personnel Expenses:School Employees:Teachers	-Split-	27,740.17	27,740.17
06/16/2017	Journal Entry	99	No			750340 Personnel Expenses:School Employees:Teachers	-Split-	26,178.85	53,919.02
06/30/2017	Journal Entry	101	No			750340 Personnel Expenses:School Employees:Teachers	-Split-	26,178.85	80,097.87
06/30/2017	Journal Entry	104	No		Payroll accrual June 26 - 30	750340 Personnel Expenses:School Employees:Teachers	-Split-	17,386.47	97,484.34
06/30/2017	Journal Entry	103	No			750340 Personnel Expenses:School Employees:Teachers	-Split-	-107,783.20	-10,298.86
Total for 750340 Teachers								\$ -10,298.86	
750345 Substitutes									
06/30/2017	Journal Entry	103	No			750345 Personnel Expenses:School	-Split-	22,451.50	22,451.50

DATE	TRANSACTION TYPE	NUM	ADJ	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
						Employees:Substitutes			
Total for 750345 Substitutes								\$22,451.50	
750360	Tutors								
06/30/2017	Journal Entry	103	No			750360 Personnel Expenses:School Employees:Tutors	-Split-	-1,153.84	-1,153.84
Total for 750360 Tutors								\$ -1,153.84	
Total for 750005 School Employees								\$201,809.00	
750010	Support Employees								
750008	Accountants/Bookkeepers								
06/30/2017	Journal Entry	103	No			750008 Personnel Expenses:Support Employees:Accountants/Bookkeepers	-Split-	-8,788.67	-8,788.67
Total for 750008 Accountants/Bookkeepers								\$ -8,788.67	
750020	Administrator								
06/30/2017	Journal Entry	103	No			750020 Personnel Expenses:Support Employees:Administrator	-Split-	-3,461.85	-3,461.85
Total for 750020 Administrator								\$ -3,461.85	
750070	Clerical Support Staff								
06/30/2017	Journal Entry	103	No			750070 Personnel Expenses:Support Employees:Clerical Support Staff	-Split-	-7,462.05	-7,462.05
Total for 750070 Clerical Support Staff								\$ -7,462.05	
750100	Custodian/Maintenance								
06/01/2017	Journal Entry	95	No			750100 Personnel Expenses:Support Employees:Custodian/Maintenance	-Split-	2,707.85	2,707.85
06/16/2017	Journal Entry	99	No			750100 Personnel Expenses:Support Employees:Custodian/Maintenance	-Split-	692.31	3,400.16
06/30/2017	Journal Entry	103	No			750100 Personnel Expenses:Support Employees:Custodian/Maintenance	-Split-	56,684.90	60,085.06
06/30/2017	Journal Entry	104	No		Payroll accrual June 26 - 30	750100 Personnel Expenses:Support Employees:Custodian/Maintenance	-Split-	419.21	60,504.27
06/30/2017	Journal Entry	101	No			750100 Personnel Expenses:Support Employees:Custodian/Maintenance	-Split-	838.41	61,342.68
Total for 750100 Custodian/Maintenance								\$61,342.68	
750150	Food Service Provider								
06/01/2017	Journal Entry	95	No			750150 Personnel Expenses:Support Employees:Food Service Provider	-Split-	318.80	318.80
06/02/2017	Check	6449	No	KYUONIA POWELL		750150 Personnel Expenses:Support Employees:Food Service Provider	10700 Regions Operating 8721	213.14	531.94
06/02/2017	Check	6447	No	Sister Mary Acerbi		750150 Personnel Expenses:Support Employees:Food Service Provider	10700 Regions Operating 8721	891.17	1,423.11
06/16/2017	Journal Entry	99	No			750150 Personnel Expenses:Support Employees:Food Service Provider	-Split-	477.11	1,900.22
06/16/2017	Check	6450	No	Sister Mary Acerbi		750150 Personnel Expenses:Support Employees:Food Service Provider	10700 Regions Operating 8721	977.09	2,877.31
06/30/2017	Journal Entry	103	No			750150 Personnel Expenses:Support Employees:Food Service Provider	-Split-	7,484.57	10,361.88
06/30/2017	Check	6452	No	Sister Mary Acerbi		750150 Personnel Expenses:Support Employees:Food Service Provider	10700 Regions Operating 8721	977.10	11,338.98
06/30/2017	Journal Entry	101	No			750150 Personnel Expenses:Support Employees:Food Service Provider	-Split-	215.21	11,554.19
06/30/2017	Journal Entry	104	No		Payroll accrual June 26 - 30	750150 Personnel Expenses:Support Employees:Food Service Provider	-Split-	596.16	12,150.35
Total for 750150 Food Service Provider								\$12,150.35	
750160	General Support Staff								
06/01/2017	Journal Entry	95	No			750160 Personnel Expenses:Support Employees:General Support Staff	-Split-	9,935.87	9,935.87
06/16/2017	Journal Entry	99	No			750160 Personnel Expenses:Support Employees:General Support Staff	-Split-	6,565.21	16,501.08
06/30/2017	Journal Entry	101	No			750160 Personnel Expenses:Support Employees:General Support Staff	-Split-	6,843.31	23,344.39
06/30/2017	Journal Entry	104	No		Payroll accrual June 26 - 30	750160 Personnel Expenses:Support Employees:General Support Staff	-Split-	3,249.23	26,593.62
06/30/2017	Journal Entry	103	No			750160 Personnel Expenses:Support Employees:General Support Staff	-Split-	-216,024.70	-189,431.08
Total for 750160 General Support Staff								\$ -189,431.08	
750201	Janitorial								
06/30/2017	Journal Entry	103	No			750201 Personnel Expenses:Support Employees:Janitorial	-Split-	-22,348.49	-22,348.49
Total for 750201 Janitorial								\$ -22,348.49	
750300	Secretaries								
06/01/2017	Journal Entry	95	No			750300 Personnel Expenses:Support Employees:Secretaries	-Split-	2,115.38	2,115.38
06/16/2017	Journal Entry	99	No			750300 Personnel Expenses:Support Employees:Secretaries	-Split-	2,115.38	4,230.76
06/30/2017	Journal Entry	101	No			750300 Personnel Expenses:Support Employees:Secretaries	-Split-	2,115.38	6,346.14
06/30/2017	Journal Entry	103	No			750300 Personnel Expenses:Support Employees:Secretaries	-Split-	25,239.64	31,585.78
06/30/2017	Journal Entry	104	No		Payroll accrual June 26 - 30	750300 Personnel Expenses:Support Employees:Secretaries	-Split-	1,057.69	32,643.47
Total for 750300 Secretaries								\$32,643.47	
750310	Security Officer								
06/01/2017	Journal Entry	95	No			750310 Personnel Expenses:Support Employees:Security Officer	-Split-	1,634.62	1,634.62
06/16/2017	Journal Entry	99	No			750310 Personnel Expenses:Support Employees:Security Officer	-Split-	1,307.74	2,942.36
06/30/2017	Journal Entry	103	No			750310 Personnel Expenses:Support Employees:Security Officer	-Split-	8,889.72	11,832.08
06/30/2017	Journal Entry	101	No			750310 Personnel Expenses:Support Employees:Security Officer	-Split-	1,471.18	13,303.26

DATE	TRANSACTION TYPE	NUM	ADJ	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
06/30/2017	Journal Entry	104	No		Payroll accrual June 26 - 30	Employees:Security Officer 750310 Personnel Expenses:Support Employees:Security Officer	-Split-	735.59	14,038.85
Total for 750310 Security Officer								\$14,038.85	
750330 Supervisor/Director									
06/29/2017	Journal Entry	102	No			750330 Personnel Expenses:Support Employees:Supervisor/Director	-Split-	5,000.00	5,000.00
06/30/2017	Journal Entry	103	No			750330 Personnel Expenses:Support Employees:Supervisor/Director	-Split-	11,064.06	16,064.06
Total for 750330 Supervisor/Director								\$16,064.06	
750400 Parenting Academy									
06/30/2017	Journal Entry	103	No			750400 Personnel Expenses:Support Employees:Parenting Academy	-Split-	57,539.61	57,539.61
Total for 750400 Parenting Academy								\$57,539.61	
Total for 750010 Support Employees								\$ -37,713.12	
750200 Employee Benefits									
750320 State Retirement									
06/08/2017	Check		No	TCRS		750320 Personnel Expenses:Employee Benefits:State Retirement	10700 Regions Operating 8721	4,601.16	4,601.16
Total for 750320 State Retirement								\$4,601.16	
Total for 750200 Employee Benefits								\$4,601.16	
750270 Other Salaries & Wages									
06/30/2017	Journal Entry	103	No			750270 Personnel Expenses:Other Salaries & Wages	-Split-	-3,000.00	-3,000.00
Total for 750270 Other Salaries & Wages								\$ -3,000.00	
750380 Payroll Expenses									
06/30/2017	Journal Entry	103	No			750380 Personnel Expenses:Payroll Expenses	-Split-	8,007.75	8,007.75
Total for 750380 Payroll Expenses								\$8,007.75	
750385 Payroll Processing									
06/01/2017	Journal Entry	95	No			750385 Personnel Expenses:Payroll Expenses:Payroll Processing	-Split-	167.25	167.25
06/16/2017	Journal Entry	99	No			750385 Personnel Expenses:Payroll Expenses:Payroll Processing	-Split-	45.00	212.25
06/29/2017	Journal Entry	102	No			750385 Personnel Expenses:Payroll Expenses:Payroll Processing	-Split-	1.50	213.75
Total for 750385 Payroll Processing								\$213.75	
Total for 750380 Payroll Expenses with subs								\$8,221.50	
Total for 75000 Personnel Expenses								\$190,814.47	
81000 Non-personnel expenses									
81030 Bank Service Charges									
06/09/2017	Expense		No	Regions	ANALYSIS CHARGE 05-17	81030 Non-personnel expenses:Bank Service Charges	10900 Regions SCA 4183	45.00	45.00
06/15/2017	Expense		No		OD PROTECTION TRANSFER FEE	81030 Non-personnel expenses:Bank Service Charges	10700 Regions Operating 8721	10.00	55.00
06/16/2017	Expense		No	Regions	PAID OVERDRAFT ITEM FEE	81030 Non-personnel expenses:Bank Service Charges	10700 Regions Operating 8721	36.00	91.00
Total for 81030 Bank Service Charges								\$91.00	
81090 Interest expense - loan repay									
06/02/2017	Bill		No	Regions		81090 Non-personnel expenses:Interest expense - loan repay	20100 Accounts payable	2,975.40	2,975.40
06/30/2017	Journal Entry	107	No			81090 Non-personnel expenses:Interest expense - loan repay	-Split-	3,819.03	6,794.43
Total for 81090 Interest expense - loan repay								\$6,794.43	
81092 Maintenance-Bldg & Grounds									
81120 Pest Control									
06/08/2017	Bill	365826414	No	Terminix Commercial	June 2017	81120 Non-personnel expenses:Maintenance-Bldg & Grounds:Pest Control	20100 Accounts payable	108.00	108.00
Total for 81120 Pest Control								\$108.00	
Total for 81092 Maintenance-Bldg & Grounds								\$108.00	
81115 Marketing, P/R, Recruiting									
06/21/2017	Bill	06212017	No	Allison Driver	Indeed 203-564-2400 CT 103303524	81115 Non-personnel expenses:Marketing, P/R, Recruiting	20100 Accounts payable	504.11	504.11
Total for 81115 Marketing, P/R, Recruiting								\$504.11	
81145 Professional fees									
81150 Accounting/Audit Expense									
06/01/2017	Bill	121828	No	Tennessee Business Services		81150 Non-personnel expenses:Professional fees:Accounting/Audit Expense	20100 Accounts payable	2,500.00	2,500.00
Total for 81150 Accounting/Audit Expense								\$2,500.00	
Total for 81145 Professional fees								\$2,500.00	
81300 Telephone & telecommunications									
06/01/2017	Bill	9786663775	No	Verizon Wireless	June 2017 Invoice	81300 Non-personnel expenses:Telephone & telecommunications	20100 Accounts payable	693.35	693.35
Total for 81300 Telephone & telecommunications								\$693.35	
82200 Utilities									
82220 Gas									
06/05/2017	Bill	06062017	No	Piedmont Natural Gas	June 2017 Bill	82220 Non-personnel expenses:Utilities:Gas	20100 Accounts payable	51.11	51.11
Total for 82220 Gas								\$51.11	
82230 Internet Expense									

DATE	TRANSACTION TYPE	NUM	ADJ	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
06/13/2017	Bill	06132017	No	Comcast	June 2017	82230 Non-personnel expenses:Utilities:Internet Expense	20100 Accounts payable	271.98	271.98
Total for 82230 Internet Expense								\$271.98	
82250 Water									
06/01/2017	Bill	06252017	No	Madison Suburban Utility District	June 2017 - MSUD & AMR	82250 Non-personnel expenses:Utilities:Water	20100 Accounts payable	156.09	156.09
06/01/2017	Bill	06252017	No	Madison Suburban Utility District	June 2017 - SPRK	82250 Non-personnel expenses:Utilities:Water	20100 Accounts payable	22.85	178.94
06/02/2017	Bill	06022017	No	Metro Water Services	June 2017 Bill	82250 Non-personnel expenses:Utilities:Water	20100 Accounts payable	362.37	541.31
Total for 82250 Water								\$541.31	
Total for 82200 Utilities								\$864.40	
Total for 81000 Non-personnel expenses								\$11,555.29	
TOTAL								\$202,369.76	

PROJECT REFLECT INC

PROFIT AND LOSS

July 2016 - June 2017

	TOTAL
INCOME	
40000 Contributions - Unrestricted	101.47
40100 Indiv/business contribution	59,803.85
40200 Grants/Foundations	55,581.33
Total 40000 Contributions - Unrestricted	115,486.65
41000 In-Kind Contributions	
41300 Donations in kind - food	22,843.17
41350 Donations in kind - non-food	6,505.00
Total 41000 In-Kind Contributions	29,348.17
43000 Federal Grants	
45000 21st Century	94,700.39
49010 IDEA Funds	22,989.18
49030 Title 1 Funds	97,371.00
49530 School Nutrition Fund	144,750.28
Total 43000 Federal Grants	359,810.85
44000 Basic Education Funds	
48010 Facilities - TN DOE	34,000.00
49000 MNPS Charter School Funds	1,982,959.00
Total 44000 Basic Education Funds	2,016,959.00
47000 Contributions Designated	1,835.00
47040 Fund Raiser	470.00
47070 Smithson Craighead Academy	30,200.91
Total 47000 Contributions Designated	32,505.91
47100 School Uniform Fund	10.00
47110 Uniform Fund Elementary	160.00
Total 47100 School Uniform Fund	170.00
48020 Special events	1,041.43
49500 Earned revenues	
49601 Meal Purchases	874.00
Total 49500 Earned revenues	874.00
Total Income	\$2,556,196.01
GROSS PROFIT	\$2,556,196.01
EXPENSES	
75000 Personnel Expenses	
72500 Payroll taxes	1,932.18
72520 Medicare	20,399.09
72530 Social Security	86,773.14
72540 State Unemployment	19,279.94
Total 72500 Payroll taxes	128,384.35
750005 School Employees	
750040 Bus Driver	160.00
750080 Computer Lab Coordinator	17,862.03

	TOTAL
750130 Educational Assistants	183,734.07
750280 Principals	139,562.61
750340 Teachers	686,278.58
750345 Substitutes	22,451.50
750360 Tutors	0.00
Total 750005 School Employees	1,050,048.79
750010 Support Employees	
750008 Accountants/Bookkeepers	0.00
750020 Administrator	0.00
750070 Clerical Support Staff	0.00
750100 Custodian/Maintenance	94,823.08
750150 Food Service Provider	50,895.17
750160 General Support Staff	38,148.80
750201 Janitorial	0.00
750300 Secretaries	62,787.77
750310 Security Officer	56,911.82
750330 Supervisor/Director	91,179.33
750400 Parenting Academy	57,539.61
Total 750010 Support Employees	452,285.58
750090 Contract Labor	6,270.00
750170 Guidance Personnel	7,178.14
750190 In Service Expenses	116.00
750200 Employee Benefits	
750120 Dental Insurance	2,799.65
750210 Life Insurance	1,311.30
750230 Medical Insurance	196,725.67
750260 Other Fringe Benefits	869.68
750320 State Retirement	117,362.24
750370 Workers Compensation	156.74
Total 750200 Employee Benefits	319,225.28
750220 Management Consultant	11,000.00
750240 MNPS Fees	548.00
750270 Other Salaries & Wages	0.00
750380 Payroll Expenses	-82,631.67
750385 Payroll Processing	1,061.83
Total 750380 Payroll Expenses	-81,569.84
Total 75000 Personnel Expenses	1,893,486.30
81000 Non-personnel expenses	49.90
70020 Fund Raising	4,734.80
81030 Bank Service Charges	1,042.95
81032 Merchant Fees	96.85
Total 81030 Bank Service Charges	1,139.80
81035 Conference, Convention, Meeting	869.66
81040 Donations	100.00
81045 Dues & Subscriptions	328.98
81060 Field Trips/Student Activities	5,812.07
81070 Insurance	7,804.48
81080 Insurance - General Liability	28,775.90
81085 Insurance Worker's Compensation	2,393.48

	TOTAL
Total 81070 Insurance	38,973.86
81090 Interest expense - loan repay	36,093.68
81092 Maintenance-Bldg & Grounds	373.57
81055 Equip rental & maintenance	2,154.44
81120 Pest Control	1,176.00
81160 Repairs and Maintenance	16,520.82
81190 Security -Monitoring Service	20,464.85
Total 81092 Maintenance-Bldg & Grounds	40,689.68
81110 Licenses/Permits	410.95
81115 Marketing, P/R, Recruiting	33,181.17
81125 Photocopying	9,000.55
81130 Postage, shipping, delivery	58.83
81135 Printing/Production	12,736.18
81140 Professional Development	624.25
81145 Professional fees	5,995.00
81150 Accounting/Audit Expense	42,750.00
81155 Speech Therapy	28,890.00
Total 81145 Professional fees	77,635.00
81170 Transportation Expense	205,408.37
81171 Membership Dues	100.00
81180 Other	120.00
81185 School Nutrition Expense	118,781.72
81200 Supplies	
81220 Food Supplies Donated In-Kind	22,843.17
81225 Food Supplies	2,217.37
81230 Instructor Educational Supplies	38,093.26
81240 Janitorial Supplies	5,936.98
81250 Maintenance Supplies	7,827.99
81260 Miscellaneous Supplies	4,160.31
81270 Office Supplies	7,479.28
81280 Uniforms	3,532.23
Total 81200 Supplies	92,090.59
81300 Telephone & telecommunications	25,827.84
82200 Utilities	
82210 Electricity	38,320.65
82220 Gas	4,428.42
82230 Internet Expense	2,520.00
82240 Waste Disposal	5,580.30
82250 Water	6,705.34
Total 82200 Utilities	57,554.71
83000 Travel & meetings expenses	
83010 Conference,convention,meeting	381.90
Total 83000 Travel & meetings expenses	381.90
Total 81000 Non-personnel expenses	762,704.49
Total Expenses	\$2,656,190.79
NET OPERATING INCOME	\$ -99,994.78
OTHER INCOME	
86700 Insurance Proceeds	19,760.75

	TOTAL
Total Other Income	\$19,760.75
OTHER EXPENSES	
81047 Depreciation & amortization exp	148,517.11
Total Other Expenses	\$148,517.11
NET OTHER INCOME	\$ -128,756.36
NET INCOME	\$ -228,751.14

PROJECT REFLECT INC

TRANSACTION REPORT

June 2017

DATE	TRANSACTION TYPE	NUM	ADJ	NAME	MEMO/DESCRIPTION	ACCOUNT	SPLIT	AMOUNT	BALANCE
40000 Contributions - Unrestricted									
40100 Indiv/business contribution									
06/02/2017	Deposit		No	Faulkner, Mark	Card Payment \$2500 before Fees	40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	2,412.35	2,412.35
06/05/2017	Deposit		No		BOD Annual Donation	40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	500.00	2,912.35
06/05/2017	Deposit		No		BOD Annual Donation	40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	500.00	3,412.35
06/05/2017	Deposit		No		BOD Annual Donation	40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	300.00	3,712.35
06/22/2017	Deposit		No		Parent Academy	40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	100.00	3,812.35
06/22/2017	Deposit		No		Parent Academy	40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	100.00	3,912.35
06/22/2017	Deposit		No		Parent Academy	40100 Contributions - Unrestricted:Indiv/business contribution	10700 Regions Operating 8721	100.00	4,012.35
Total for 40100 Indiv/business contribution								\$4,012.35	
40200 Grants/Foundations									
06/26/2017	Deposit		No	The Community Foundation of Middle Tenn	COMMUNITY FOUNDA ePay	40200 Contributions - Unrestricted:Grants/Foundations	10700 Regions Operating 8721	581.33	581.33
Total for 40200 Grants/Foundations								\$581.33	
Total for 40000 Contributions - Unrestricted								\$4,593.68	
43000 Federal Grants									
45000 21st Century									
06/30/2017	Invoice	216	No	Tennessee Department of Education:21st Century Grant	June Reimbursement	45000 Federal Grants:21st Century	11100 Accounts receivable	2,895.05	2,895.05
Total for 45000 21st Century								\$2,895.05	
Total for 43000 Federal Grants								\$2,895.05	
44000 Basic Education Funds									
48010 Facilities - TN DOE									
06/28/2017	Deposit		No	Tennessee Department of Education:21st Century Grant	STATE-TN PAYMNTS TN PAYMNTS	48010 Basic Education Funds:Facilities - TN DOE	10900 Regions SCA 4183	4,300.00	4,300.00
Total for 48010 Facilities - TN DOE								\$4,300.00	
Total for 44000 Basic Education Funds								\$4,300.00	
TOTAL								\$11,788.73	

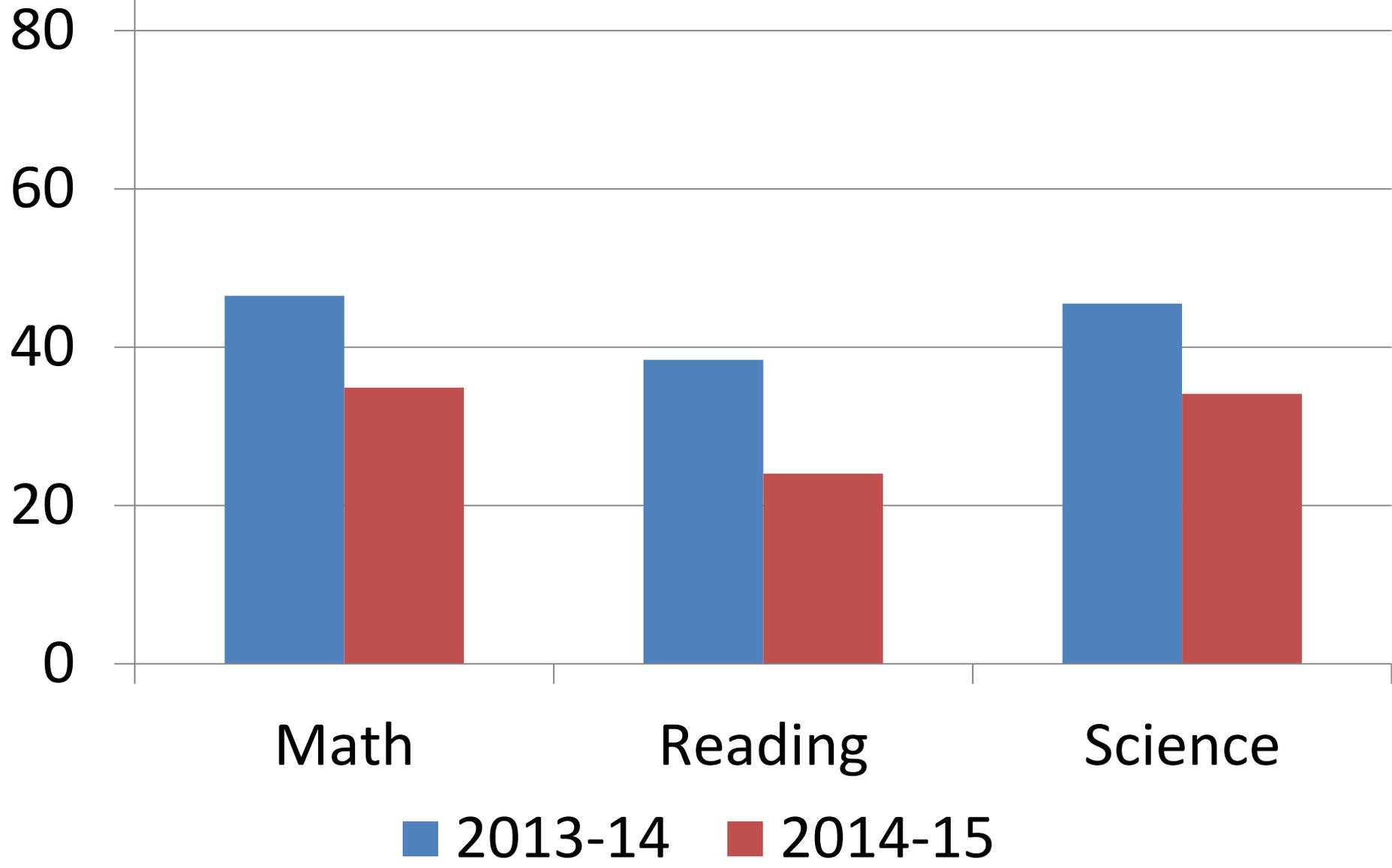
PROJECT REFLECT INC

STATEMENT OF CASH FLOWS

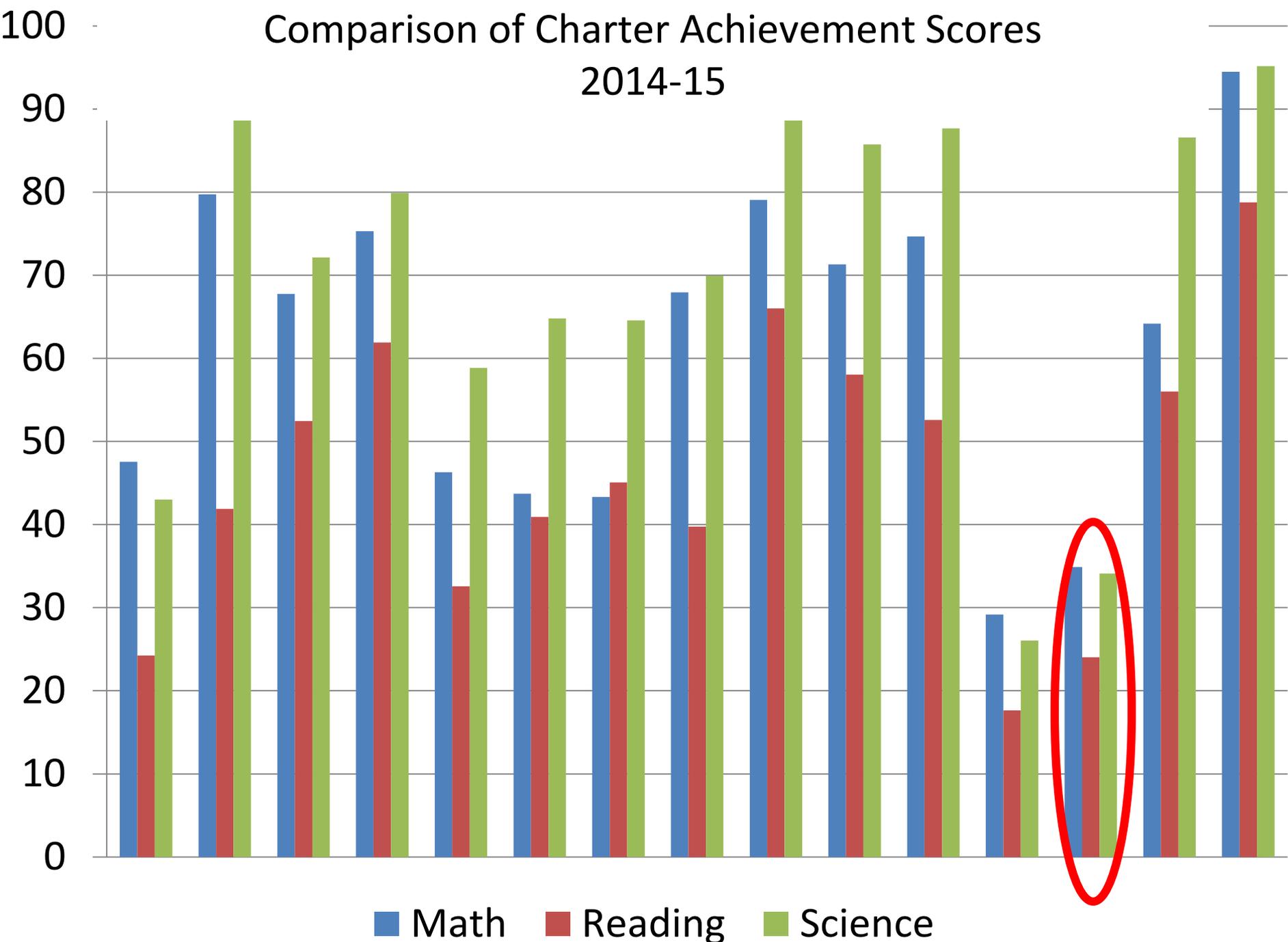
June 2017

	TOTAL
OPERATING ACTIVITIES	
Net Income	-339,098.14
Adjustments to reconcile Net Income to Net Cash provided by operations:	
11100 Accounts receivable	230,683.33
20100 Accounts payable	-37,255.38
21000 Payroll Liabilities	13,197.71
21100 Accrued payroll	21,998.81
DON Bridge Loan	-55,000.00
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	173,624.47
Net cash provided by operating activities	\$ -165,473.67
INVESTING ACTIVITIES	
17120 Fixed Assets Deprec. & Amort.:Building & Imp - Accum. Deprec	71,405.40
17130 Fixed Assets Deprec. & Amort.:Equipment - Accum. Deprec.	25,378.30
17160 Fixed Assets Deprec. & Amort.:Building - Accum. Deprec.	38,879.41
17180 Fixed Assets Deprec. & Amort.:Furniture & Fixtures - Acc Depr	9,639.72
17190 Fixed Assets Deprec. & Amort.:Vehicles - Accum. Deprec.	3,214.28
Net cash provided by investing activities	\$148,517.11
FINANCING ACTIVITIES	
27200 Regions Commercial Loan 8958	258.43
Net cash provided by financing activities	\$258.43
NET CASH INCREASE FOR PERIOD	\$ -16,698.13
CASH AT BEGINNING OF PERIOD	55,712.46
CASH AT END OF PERIOD	\$39,014.33

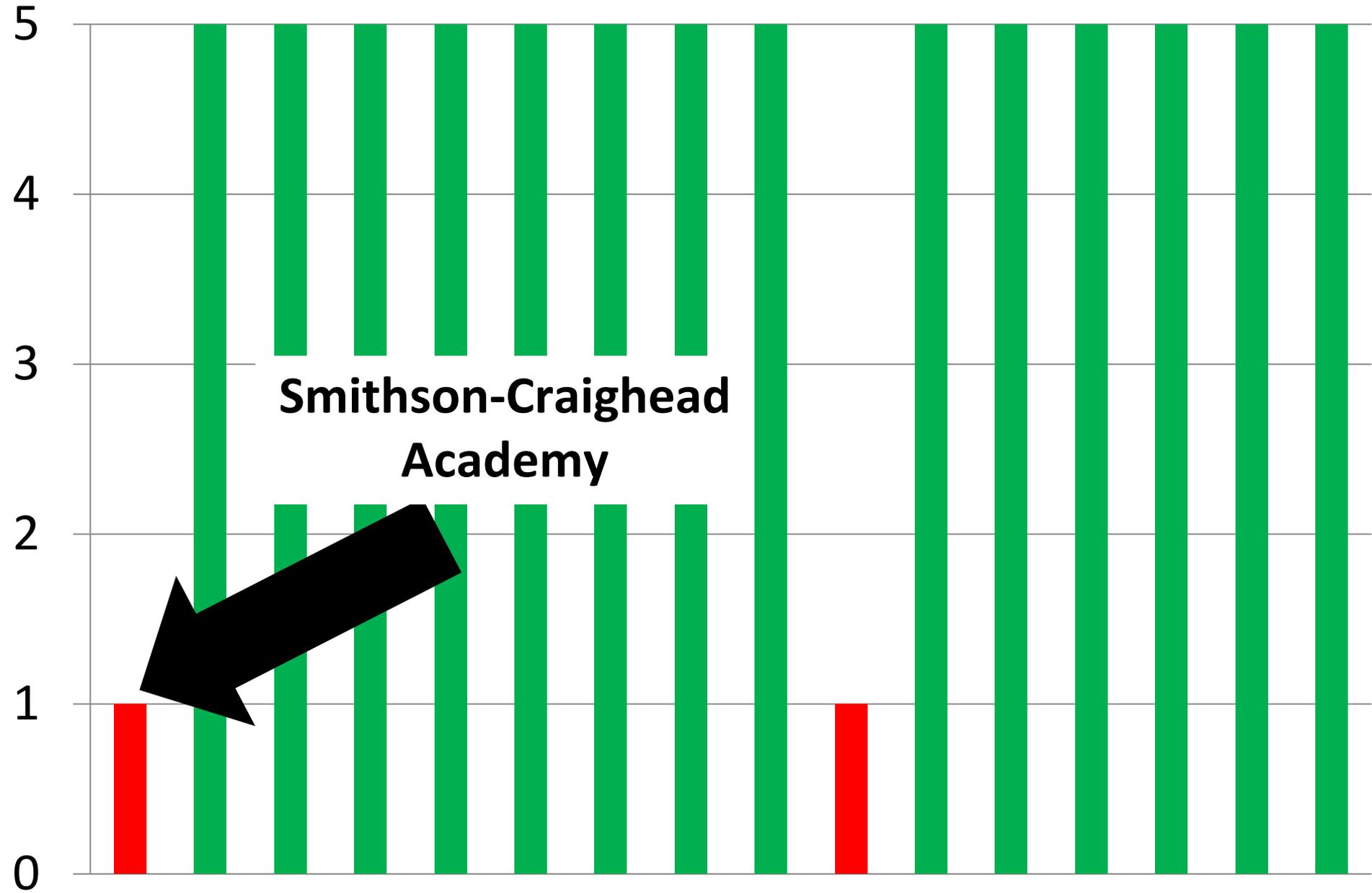
Comparison of SCA Achievement Scores 2013-14 and 2014-15



Comparison of Charter Achievement Scores 2014-15



2014-15 TVAAS School-Wide: Composite



Report: School Value Added
School: Smithson Craighead Academy
District: Davidson County
Year: 2016

Test: Grades 3-8
Subject: Composite
Type: 4th-8th Grade (2013-14)

Because assessments in grades 3-8 were not fully administered during the 2015-16 school year, 2015-16 data is not available for grades 3-8.

Estimated School Growth Measure		
Grade	4	Growth Measure over Grades Relative to Growth Standard
Growth Standard	0.0	
2014 Growth Measure	-4.7 R	-4.7
Standard Error	1.3	1.3
2015 Growth Measure		
Standard Error		
2016 Growth Measure		
Standard Error		
3-Year-Average Growth Measure		
Standard Error		
Estimated School Average Achievement		
Grade	4	
State Base Year (2009)	50.0	
2013 Average Achievement	46.6	
2014 Average Achievement	39.7	
2015 Average Achievement		
2016 Average Achievement		

G	Significant evidence that the school's students made more progress than the Growth Standard
LG	Moderate evidence that the school's students made more progress than the Growth Standard
Y	Evidence that the school's students made progress similar to the Growth Standard
LR	Moderate evidence that the school's students made less progress than the Growth Standard
R	Significant evidence that the school's students made less progress than the Growth Standard

Achievement results and growth results must be used together to get a complete picture of student learning.

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Because assessments in grades 3-8 were not fully administered during the 2015-16 school year, 2015-16 data is not available for grades 3-8.

Estimated School Growth Measure		
Grade	4	Growth Measure over Grades Relative to Growth Standard
Growth Standard	0.0	
2014 Growth Measure		
Standard Error		
2015 Growth Measure	-6.9 R	-6.9
Standard Error	1.3	1.3
2016 Growth Measure		
Standard Error		
3-Year-Average Growth Measure		
Standard Error		
Estimated School Average Achievement		
Grade	4	
State NCE Average	50.0	
2013 Average Achievement		
2014 Average Achievement	37.7	
2015 Average Achievement	41.2	
2016 Average Achievement		

B	Significant evidence that the school's students made more progress than the Growth Standard
G	Moderate evidence that the school's students made more progress than the Growth Standard
LG	Evidence that the school's students made progress similar to the Growth Standard
LR	Moderate evidence that the school's students made less progress than the Growth Standard
R	Significant evidence that the school's students made less progress than the Growth Standard

Achievement results and growth results must be used together to get a complete picture of student learning.