

**RE Think**  
**FORWARD** *Indy*



Charter School Application  
for  
Change in Authorizer Requests

Revised July 201

Submitted by ReThink Forward Indiana, Inc.

on March 22, 2019

for Thomas Carr Howe Community High School

## Exhibit B

### Proposal Overview

The applicant group's **designated representative** will serve as the contact for all communications, interviews, and notices from ICSB regarding the submitted application.

**IMPORTANT NOTE:** *The full application, including this form, will be posted on the ICSB website. Applicants are advised that local community members, including members of the media, may contact the designated representative for questions about the proposed school(s).*

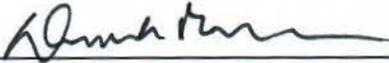
|  |   |
|--|---|
| <b>Type of Submission:</b>   | X Existing charter has not been revoked and organizer has not been informed that its charter will not be renewed. |
| <b>Name of Charter School(s):</b>  | Thomas Carr Howe Community High School  |
| <b>School Address(es):</b>   | 4900 Julian Avenue, Indianapolis, IN 46201  |
| <b>Name of Board Chair(s):</b><br><b>Contact Information:</b>              | Derek Redelman<br><a href="mailto:derekredelman@att.net">derekredelman@att.net</a>                                |
| <b>Name of Head of School/Principal(s):</b><br><b>Contact Information:</b> | Lloyd Knight<br>(317)-217-1980  |
| <b>Email address(es):</b>  | <a href="mailto:lknight@tchowehighschool.org">lknight@tchowehighschool.org</a>                                    |
| <b>Year School(s) Opened:</b>  | 2012-13   |
| <b>Name of Current Authorizer:</b>   | N/A   |
| <b>Name of Education Service Provider (ESP) (if applicable):</b>           | Noble Education Initiative  |
| <b>Current Grade Levels Served:</b>  | K-12  |
| <b>Current Student Enrollment:</b>   | 577   |

### Projected Student Enrollment

\*Academic Year refers to the first year the school would operate if approved by ICSB.

| Academic Year* | Grade Levels | Student Enrollment |         |
|----------------|--------------|--------------------|---------|
|                |              | Planned            | Maximum |
| Year 1         | K-12         | 760                | 1306    |
| Year 2         | K-12         | 920                | 1306    |
| Year 3         | K-12         | 1080               | 1306    |
| Year 4         | K-12         | 1240               | 1306    |
| Year 5         | K-12         | 1306               | 1306    |

Signature of Applicant's Designated Representative

 3/18/2019  
Signature Date

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## Executive Summary

The Executive Summary should provide a concise overview of the school's mission and vision, the applicant's continued capacity to operate the school, the education model or design, the school's performance, and the reason the governing body is requesting a change in authorizers. In five (5) pages or less, provide an Executive Summary that includes the following elements:

### Executive Summary

**Mission and Vision.** State the mission and vision of the school. The rest of the application should fully align with and support the stated mission.

### Mission Statement

The mission of ReThink Forward Indiana, Inc. (ReThink) and Thomas Carr Howe Community High School (HOWE) is to create an environment through a whole-child approach that will strengthen students academically, socially, and emotionally, resulting in confident students who are positive about learning and excited about possibilities for their future. Students will progress with the skills and mindset necessary to not only face reality, but, as confident citizens, create a better reality for the next generation.

### Vision Statement

The ReThink and HOWE vision is to make success attainable for all students as we prepare the next generation to solve the challenges of tomorrow.

**Governance and Leadership.** Provide an overview of the school's governance, management structure, and leadership team. Highlight the strengths of the governing board and leadership team. Explain how the governance and management structure will provide for stable, effective governance, and leadership for the school.

HOWE will be governed by ReThink Forward Indiana, Inc. (ReThink), which is comprised of Central Indiana leaders in education advocacy, community outreach, service organizations, and business and education partnerships. ReThink possesses decades of leadership experience in advocacy for education options, community resources, economic development, and workforce readiness, which positions the board to lead HOWE forward. These Indianapolis residents and leaders will provide the strength, vision, and oversight necessary for the successful operation of HOWE.

Derek Redelman currently serves as ReThink's Chairman. Mr. Redelman has extensive experience in education and workforce advocacy, currently serving as the Founder and President for Redelman Associates, a research, consulting, and advocacy firm focused on education issues. Prior to this role, he served as the Vice President of Research and Policy, as well as a Senior Program Director, for the Strada Education Network. and prior to that as Vice President or Education Policy for the Indiana Chamber of Commerce.

Kimberly Preston currently serves as ReThink's Vice Chair and Secretary. Ms. Preston currently serves as Director of Development at the Foundation for Excellence in Education (ExcelinEd) where she is responsible for national and state-specific fundraising efforts. In her previous role as Midwest Regional Advocacy Director for ExcelinEd, Ms. Preston developed, implemented, and maintained state advocacy components of annual policy action plans for eleven states in her region. She has also held policy and communications roles at the Indiana Department of Education, the Indianapolis Mayor's Office, and the United States Senate.

Jake Medlong currently serves as ReThink's Treasurer. Mr. Medlong has a wealth of community outreach and mentorship experience. He currently serves as the Executive Director for KIDS, Inc. (Kids in Discipleship and Service, Inc.), where he organizes and directs volunteers and staff; manages the organization's budget and finances; directs, plans, and implements policies, objectives, and activities; and establishes goals and procedures for fundraising.

David Mikelsons currently serves as a Director for ReThink. Mr. Mikelsons is the Manager of Project Ready and Educational Initiatives for the Indianapolis Urban League, an Indianapolis-based community non-profit to assist African Americans, other minorities, and disadvantaged individuals to achieve social and economic equality through education, workforce training, and health and wellness opportunities. Mr. Mikelsons currently manages five Project Ready sites, including Thomas Carr Howe Community High School, where he provides guidance for 11<sup>th</sup> and 12<sup>th</sup> graders on college readiness and social and economic issues.

Judy Fackenthal currently serves as a Director for ReThink. Ms. Fackenthal is currently a Reverend at Garfield Park Baptist Church, a position she has held since 1999. Ms. Fackenthal has also been in the role of Field Education Supervisor and Consultant of Supervisors with the Christian Theological Seminary since 1999. During her tenure with the Christian Theological Seminary, Ms. Fackenthal was also a Co-Instructor for *Introduction to Christian Ministry* from 2007 until 2009. Prior to 1999, Ms. Fackenthal held various titles with the Covenant Baptist Church, serving as Minister, Co-Pastor, Associate Minister, and Minister of Christian Education and Music from 1985 until 1999.

Brett Thomas currently serves as a Director for ReThink. Mr. Thomas is currently an Associate Attorney with Hume Smith Geddes Green and Simmons, LLP. As an Associate Attorney, he provides individual, business, and insurance clients with representation, delivering a wide array of personal and business legal needs. Prior to this role, he was an attorney with the Marion County Public Defender Agency from 2015 until 2019, defending clients whose charges ranged from misdemeanors to level two felonies. In this role, he also worked closely with social workers in order to help his clients with certain needs such as mental health treatment, drug rehabilitation, and housing arrangements.

Sarah Drake currently serves as a Director for ReThink. Ms. Drake currently serves as an Outpatient Therapist and Lead Clinician at the Adult and Child Health Center in Indianapolis. Prior to her time in this role, Ms. Drake served as the Comprehensive School and Community Treatment Therapist for the Western Montana Mental Health Center. Here, she assessed, diagnosed, and formulated treatment plans for administering mental health care to youth within a school setting. In this role, she provided immediate interventions of group and individual student therapy, teaching key social-emotional skills and managing each child's individual crisis cycle. Ms. Drake was key in facilitating treatment team communications and meetings, tracking student progress through data, and administering fidelity checks on behavior plans with school staff and student families. She also collaborated with community agencies to assist students' families with accessing resources and support.

ReThink will contract with Noble Education Initiative (NEI) to provide day-to-day, comprehensive school management services to HOWE. NEI is a non-profit Education Service Provider (ESP) with the mission of creating a collaborative group of exceptional professionals who will boldly rethink education and make success attainable for all students, preparing the next generation to solve the complex challenges of tomorrow. NEI brings decades of experience in school management, turnaround operations, innovative program design, and data-driven instruction. This expertise will not only prepare students for the future, but will also develop and train the next generation of school leaders.

NEI has provided education consulting services and professional development training to HOWE since the start of the 2017-18 school year. To better serve HOWE, NEI established an Indiana state leadership team to provide immediate, day-to-day local management of school operations. This experience has given NEI firsthand knowledge of HOWE's current student population, the challenges they face on a daily basis, and what needs to be done to overcome them.

The principal will direct the leadership team, which is comprised of positions that may include, but not be limited to assistant principal(s), dean, guidance counselor(s), instructional coaches, and non-instructional staff such as a registrar, school operations administrator, and administrative assistant(s). The strength of the leadership team is represented in the stability of the principal, assistant principal, guidance counselor(s), and instructional leadership team members, all of whom have served for no less than two years at HOWE. HOWE's accomplishments in culture, academics, college and career readiness, and community outreach was driven by the continuity of the staff, which provides foundational strength in current and future education to students.

Lloyd Knight currently serves as the principal of TC Howe Community High School. Under Mr. Knight's leadership, HOWE achieved a historically high graduation rate of 92% in the 2017-18 school year. HOWE also earned the second highest ISTEP+ passing rate among all schools in the Indianapolis Public Schools (IPS) system in 2017-18. While serving as HOWE's principal, Mr. Knight is leading dynamic change in culture, academics, and pathways to graduation for students throughout Indianapolis.

**Education Plan/School Design.** Provide an overview of the school's education program, including key innovations and non-negotiable elements of the school model. Briefly explain the evidence base that demonstrates how the school model has or will be successful in improving academic achievement for the targeted student population.

The education program is grounded in effective implementation of a rigorous curriculum based on Indiana Academic Standards, which affords all students the opportunity to experience academic enrichment and includes a framework for continuous improvement. Our program design provides all students the structure, routine, and high expectations they need to succeed, while integrating regular cycles of student assessment, review, support and growth. As a result, our academic plan is robust, research-based, and built with continuous learning in mind. To ensure a positive learning environment that supports implementation of our academic program, we actively attend to the development of a positive school culture that meets student social and emotional needs. Our approach to standards-based instruction rests within a strong frame of social and emotional learning (SEL).

For every grade level, the academic plan begins with an instructional calendar, which is developed to incorporate all Indiana Academic Standards and key instructional strategies aimed to nurture and develop SEL competencies. This integrated approach ensures opportunities SEL needs are considered at the forefront of instructional planning and selected strategies and activities are purposeful. Our curriculum is mapped into 7-9 instructional units in grades K-12, employing a cyclical approach to guarantee priority standards are addressed adequately prior to state testing and advancement to the next grade. The instructional calendar, which provides a scope and sequence of standards, allows teachers the ability to adjust instruction based on formative and end-of-unit assessments so that students have every possible opportunity to advance learning.

HOWE will utilize the 8-Step Continuous Improvement Process, outlined in detail further in the application, developed by Patricia Davenport and Peggy Hinckley (2013). This continuous improvement process will continue to drive delivery of our curriculum and provide a touchstone for all school-based professional learning. The process has been in place for two years and launched with professional development (PD) aimed at instructional leaders to ensure a thoughtful rollout and implementation with the highest level of fidelity. Teachers were then provided with initial PD to gain a baseline understanding of the eight steps and guided in making connections to our data-driven approach in order to enhance our planning and delivery of effective instruction. Since initial PD, teachers and school leaders have been provided with ongoing implementation and coaching support from NEI as part of a capacity building plan to effectively utilize and monitor the continuous improvement process schoolwide.

HOWE recently completed the Cambridge International qualifications process and has been approved to offer Cambridge in grades 7-12, consisting of the Lower Secondary and Upper Secondary programs. HOWE is among the first schools in Indiana to be designated a Cambridge school and we are excited to add this component to our education plan. Implementation of both Cambridge programs will begin in the upcoming school year. Cambridge programs provide students with academic challenges through an international standard of curriculum and instruction that is referenced alongside Indiana Academic Standards. The curriculum is intended to nurture intellectual curiosity and develop a well-rounded global perspective.

HOWE has opted to provide Indiana's Graduation Pathways in the upcoming school year for our high school students. This exciting new component of our education programming will offer students flexibility in pursuing various routes towards graduation and demonstrating their mastery through different mediums (other than state assessment). We anticipate increased student engagement as students will be able to explore interests more intently and advance their preparation for college or career. HOWE's Graduation Pathways will include options within the three mandatory components: (1) High School Diploma, (2) Learn and Demonstrate Employability, and (3) Postsecondary-Ready Competencies. The Cambridge AICE Diploma will be offered as a pathway option, and Career and Technical Education (CTE) course offerings will be included as options for meeting Postsecondary-Ready Competencies.

**School Performance.** Provide a brief narrative highlighting the school's accomplishments, including financial and academic performance, since its launch. Briefly address both the opportunities and challenges facing the school.

ReThink recognizes opportunities exist at HOWE to increase academic, operational, and financial outcomes. The threat of closure from Indianapolis Public Schools (IPS) has loomed over HOWE since being designated as a turnaround school. This has created an atmosphere of uncertainty with both staff and students. Once HOWE becomes a charter school, the stability that comes with the designation will increase student and staff retention while also providing a more stable outlook for new students and employee candidates. HOWE is one of the only schools in Indiana to offer the Cambridge program and will begin to offer Graduation Pathways approved by the Indiana State Board of Education, both of which will be a draw for students, parents, and staff alike.

Challenges at HOWE include efforts to diversify our student recruitment to reach a wider population of students to provide a more diverse learning environment. A large portion of our students require counseling and wraparound services for support in managing traumatic situations that they experience both at home and within the community, and HOWE is currently meeting that challenge by forging and maintaining partnerships

to provide that support. HOWE's student population also historically struggles with attendance rates and as a result, has implemented an exhaustive absence and truancy process.

Since 2012-13, Indiana's state assessments and school accountability system have each undergone multiple revisions. The 2017-18 school year was the most recent change for both assessments and accountability frameworks. Under the newest framework, Indiana schools are evaluated on three domains: (1) Performance, (2) Growth, and (3) Multiple Measures. HOWE's academic performance is available in the Academic Performance Workbook included as **Attachment 13**.

As a school serving grades 7-12, T.C. Howe Community school is evaluated on all three domains. At the middle school grade levels, the performance domain equally weights students' proficiency on ELA and math ISTEP+ assessments. At the high school grade levels, the performance domain equally weights students' proficiency on the ELA and math ISTEP+ Grade 10 assessments. The Growth Domain is calculated by equally weighting the percent of students in the Top 75% and Bottom 25% who improve their ISTEP+ score from year to year in math and ELA. A growth measure is calculated separately for the middle and high school grade levels. High schools earn points for their performance on two Multiple Measures components: (1) the 4-year Graduation Rate and the percent of students who achieve College and Career Readiness by earning at least one college credit or industry certification at the time of graduation.

In the most recent school year (2017-18), HOWE made significant improvements in numerous School Report Card categories. On the ISTEP+, HOWE had the 2<sup>nd</sup> highest passage rate among IPS high schools. On the ELA portion of the ISTEP+, 8<sup>th</sup> graders doubled their proficiency compared to 2016-17, increasing by 21 percentage points. On the math portion, 8<sup>th</sup> graders increased their proficiency by 11 percentage points. ISTEP+ growth points on the school accountability report card also increased by 12 points in ELA and 8 points in math. HOWE's high school growth score was the highest among IPS high schools, by a margin of over 20 points.

In addition, according to the past three years of audited financial statements included as **Attachment 9**, HOWE has maintained a positive net position in all years, and the school's total net position at the end the 2016-17 school year was \$326,758, an increase over the 2015-16 school year's total net position of \$271,617.

**Reason for Submission of Change in Authorizer Application.** Explain why the governing body of the school is requesting a change in authorizers. If the reason is related to a notice of termination or non-renewal of the school's existing charter, please also briefly identify any changes that have been made to the governing board, the leadership team, the education plan/school design, etc. as a result of the notice of termination or nonrenewal.

HOWE is currently designated as a turnaround school within IPS. However, the State of Indiana Board of Education has now identified HOWE as a site for potential charter takeover, and as such, ReThink is applying to become HOWE's governing board.

## Section I: School Overview

ICSB is committed to authorizing high-performing charter schools. Only those applicants that demonstrate strong academic performance, fiscal responsibility, and legal and organizational compliance are likely to receive approval for a change in authorizer request.

### School Governance

- List the school’s current board members and provide a brief explanation of the expertise each member brings to the board. Has there been any recent significant board member turnover? How long has the current board chair been in his or her role? Please provide, as Attachment 1, resumes for all current board members. Please provide, as Attachment 2, a signed Statement of Economic Interest and Conflict of Interest Form (as provided in Exhibit C) for each current board member who is responsible for oversight of the school.**

Please see Table 1 below for a list of ReThink Forward Indiana, Inc. board members, their relevant experience, and area of focus/expertise. ReThink is a newly formed board for the purpose of providing governance to turnaround academies formerly under Indiana State Board of Education authority.

**Table 1**

| Full name       | Board Role           | Relevant Experience  | Area of Focus/Expertise  |
|-----------------|----------------------|--|--|
| Derek Redelman  | Chairman             | Founder and President for Redelman Associates  | Education Policy, Philanthropy, College and Career Readiness   |
| Kim Preston     | Vice Chair/Secretary | Director of Development for the Foundation for Excellence in Education               | Education, Parent Involvement, Advocacy  |
| Jake Medlong    | Treasurer            | Executive Director for KIDS, Inc. (Kids in Discipleship and Services, Inc.)          | Community Services, College and Career Readiness, Social and Emotional Learning  |
| David Mikelsons | Director             | Manager of Project Ready and Education Initiatives for the Indianapolis Urban League | Equity, Community Partnerships, Mentorship, College and Career Readiness   |
| Judy Fackenthal | Director             | Reverend at Garfield Park Baptist Church   | Spiritual Leadership, Community Involvement, Mentorship, Teacher/Training, Board Relations                             |
| Brett Thomas    | Director             | Associate Attorney at Hume Smith Geddes Green and Simmons, LLP                       | Legal Counsel, Board Relations, Administrative Functions   |
| Sara Drake      | Director             | Outpatient Therapist and Lead Clinician at the Adult and Child Health Center         | Mental Health Treatment, Youth Intervention, Counseling Services, Social and Emotional Learning, Community Involvement |

Derek Redelman currently serves as ReThink’s Chairman. He received his Bachelor of Arts in Political Science and Public Administration from Miami University in 1987, and his MBA from the University of Chicago in 1998. Mr. Redelman has extensive experience in education and workforce advocacy, currently serving as the Founder and President for Redelman Associates, a research, consulting, and advocacy firm focused on education issues.

Prior to this role, he served as the Vice President of Research and Policy, as well as a Senior Program Director, for the Strada Education Network. Mr. Redelman also served the Indiana Chamber of Commerce as Vice President of Education and Workforce Development Policy, as well as the Director of Education Policy. In addition, Mr. Redelman has extensive board experience, including service on the Board of Regents

for Bishop Chatard High School, as President of the Archdiocesan Catholic Schools Commission, and on the School Commission for Christ the King Catholic Church.

Kimberly Preston currently serves as ReThink's Vice Chair and Secretary. She earned her B.A. in Communications and Public Relations from Purdue University in 1998, and her M.A. in Journalism from Indiana University in 2001. Ms. Preston currently serves as Director of Development at the Foundation for Excellence in Education (ExcelinEd) where she is responsible for national and state-specific fundraising efforts. In her previous role as Midwest Regional Advocacy Director for ExcelinEd, Ms. Preston developed, implemented, and maintained state advocacy components of annual policy action plans for eleven states in her region.

Prior to this role, Ms. Preston served as the Communications Director and Director of Strategic Initiatives for the Indiana Department of Education; the Director of Workforce and Education Initiatives for the Office of Mayor Greg Ballard; the Political Director and Legislative Assistant for the Office of U.S. Senator Dick Lugar; and the Press Secretary and Assistant Director of Finance and Operations for the Indiana Republican Party. Ms. Preston has also served on numerous boards, committees, and councils, including the United Way of Central Indiana, the Early Childhood Policy Task Force, the College Summit Advisory Board, and the I-STEM Central Indiana Regional Advisory Board.

Jake Medlong currently serves as ReThink's Treasurer. He received his Associate degree in Biblical Studies from Calvary Chapel Bible College in 2002, and his Bachelor degree in Biblical Counseling in May 2012. Mr. Medlong has a wealth of community outreach and mentorship experience. He currently serves as the Executive Director for KIDS, Inc. (Kids in Discipleship and Service, Inc.), where he organizes and directs volunteers and staff; manages the organization's budget and finances; directs, plans, and implements policies, objectives, and activities; and establishes goals and procedures for fundraising. Mr. Medlong also serves as an Assistant Pastor/Worship Leader for Horizon Christian Fellowship, where he organizes the volunteer worship band, leads the Pastoral Counseling ministry, and serves on the church board of directors.

David Mikelsons currently serves as a Director for ReThink. Mr. Mikelsons earned his Bachelor Degree from Marion College in 2005, majoring in History and English and minoring in Political Science. Mr. Mikelsons is the Manager of Project Ready and Educational Initiatives for the Indianapolis Urban League, an Indianapolis-based community non-profit to assist African Americans, other minorities, and disadvantaged individuals to achieve social and economic equality through education, workforce training, or health and wellness opportunities. Mr. Mikelsons currently manages five Project Ready sites, including Thomas Carr Howe Community High School, where he provides guidance for 11<sup>th</sup> and 12<sup>th</sup> graders on college readiness and social and economic issues.

Prior to his time with the Indianapolis Urban League, Mr. Mikelsons held the title of Program Coordinator with the Peace Learning Center, an Indianapolis-based community nonprofit educational organization that establishes safe and common ways to address differences and promotes processes to help build community and healthy communication for youth, parents, and professionals. During his time as Program Coordinator, Mr. Mikelsons developed programing, met with principals and school counselors, evaluated staff development, scheduled school programs, lead team building sessions, and oversaw staff development. He also developed the Peace School Curriculum, a K-12 program that teaches conflict resolution, team building, and community values and awareness; focusing on the individual as well as youth participation in group and community settings by identifying adults who exemplify values of positive character.

Judy Fackenthal currently serves as a Director for ReThink. Ms. Fackenthal earned her B.S. in Choral Music Education and Special Education from Ball State University in 1978. Ms. Fackenthal is currently a Reverend at Garfield Park Baptist Church, a position she has held since 1999. Ms. Fackenthal has also been in the role of Field Education Supervisor and Consultant of Supervisors with the Christian Theological Seminary since 1999. During her tenure with the Christian Theological Seminary, Ms. Fackenthal was also a Co-Instructor for *Introduction to Christian Ministry* from 2007 until 2009. Prior to 1999, Ms. Fackenthal held various titles with the Covenant Baptist Church, serving as Minister, Co-Pastor, Associate Minister, and Minister of Christian Education and Music from 1985 until 1999.

In addition to her professional career, Ms. Fackenthal has also served on both national and regional Denominational Leadership boards. She has held the position of President or Board Chair for numerous organizations, including the USA Board of General Ministries for American Baptist Churches, the American Baptist Foundation Board of Directors, the American Baptist Churches of Greater Indianapolis Board of Directors, and Edna Marion Christian Center Board of Directors. As a testament to her presence in the religious community, Ms. Fackenthal has been a speaker or presenter at over two dozen public engagements between 1997 and 2017.

Ms. Fackenthal also has an active role in mentorship in the community, most notably with the Christian Theological Seminary, where she has mentored seven graduates in the Lilly Student Clergy Peer Group Project. Ms. Fackenthal is also involved in facilitating and leading various workshops and retreats within the religious community.

Brett Thomas currently serves as a Director for ReThink. Mr. Thomas earned his B.S. in Physical Education, Sports Management from Purdue University in 2010, and his J.D. from Southern Illinois University in 2015. Mr. Thomas is currently an Associate Attorney with Hume Smith Geddes Green and Simmons, LLP. As an Associate Attorney, he provides individual, business, and insurance clients with representation, delivering a wide array of personal and business legal needs. Prior to this role, he was an attorney with the Marion County Public Defender Agency from 2015 until 2019, defending clients whose charges ranged from misdemeanors to level two felonies. In this role, he also worked closely with social workers in order to help his clients with certain needs such as mental health treatment, drug rehabilitation, and housing arrangements.

Prior to his work as an attorney, Mr. Thomas served as a Certified Legal Intern with the Marion County Public Defender Agency, representing clients at bench trials, pre-trial hearings, suppression hearings, and post-trial hearings under the supervision of a licensed attorney. Mr. Thomas also worked as a Legal Intern with the Marion County Civil Court Clerk and as a Criminal Court Clerk with the Marion County Clerk's Office. In addition to his professional legal career, Mr. Thomas is also a member of the Indianapolis Bar Association, holding positions on the Criminal Justice Section Board and the Gold Outing Committee.

Sarah Drake currently serves as a Director for ReThink. Ms. Drake earned her B.A. in Cultural Anthropology and Women's Studies while minoring in Communication from Ohio State University in 2008, and her M.A. in Clinical Health Counseling from the University of Montana in 2014. Ms. Drake currently serves as an Outpatient Therapist and Lead Clinician at the Adult and Child Health Center in Indianapolis. In fulfilling these roles, Ms. Drake moves adult toward recovery in an outpatient setting, including traditional therapy skills development, utilizing evidenced-based techniques from various theoretical orientations. She creates and implements person-centered treatment plans, collaborating with other service providers to offer clients comprehensive care that best supports and encourages long term recovery.

Prior to her time with the Adult and Child Health Center, Ms. Drake served as the Comprehensive School and Community Treatment Therapist for the Western Montana Mental Health Center. Here, she assessed, diagnosed, and formulated treatment plans for administering mental health care to youth within a school setting. In this role, she provided immediate interventions of group and individual student therapy, teaching key social-emotional skills and managing each child's individual crisis cycle. Ms. Drake was key in facilitating treatment team communications and meetings, tracking student progress through data, and administering fidelity checks on behavior plans with school staff and student families. She also collaborated with community agencies to assist students' families with accessing resources and support.

Before joining the Western Montana Mental Health Center, Ms. Drake worked as a Student Counseling Intern with Trapper Creek Job Corps, establishing therapeutic relationships with students in one-on-one settings by creating and implementing treatment plans based on individual personal goals. Ms. Drake also implemented a drug and alcohol treatment plan called TEAP, providing services in a group setting to at-risk teens. In addition to her professional career, Ms. Drake has also conducted various volunteer work throughout the community, providing services as an adult literacy tutor, summer organizer for Organizing for America, program facilitator for Girls, Inc., an exit pollster for the midterm elections, and a presidential race volunteer for AFSCME.

- 2. Please provide, as Attachment 3, a copy of the board minutes from the last three Board meetings, including the meeting in which the board voted to submit this application.**

Please see **Attachment 3**.

- 3. How does the chosen governance model support quality oversight of the school, including monitoring of academic outcomes, financial health, organizational compliance, and school leadership performance? Please list all active board committees, both voting and advisory and provide an organization chart listing governance and operational responsibilities for the organizer and the school(s).**

HOWE will be governed by ReThink Forward Indiana, Inc., (ReThink) a 501(c)(3) non-profit organization organized exclusively for educational purposes. ReThink believes that children of all races and income levels can succeed.

ReThink is comprised of individuals who possess decades of experience in education matters. ReThink's members have managed aspects of not for profit boards, financial management, human resources, workforce engagement, college and career readiness, education operations, and education policy. As the charter holder, ReThink will have ultimate authority over and responsibility for school operations and shall conduct itself in accordance with all applicable laws and regulations. More specifically, ReThink will be responsible for developing and outlining the mission, vision, and values of HOWE; developing the appropriate policies to ensure those fundamentals are maintained; and effectively and properly managing public funds.

To ensure HOWE's academic, operational, and financial success, ReThink's primary role will be to:

- Determine and preserve the organization's mission and vision
- Create and oversee the organization's operational policies
- Exercise continuing oversight over charter school operations
- Ensure effective organizational planning
- Ensure adequate resources, finances, and fiscal propriety
- Manage resources effectively (adopt and monitor budget and financials)
- Determine, monitor, and strengthen programs and services
  - Assure programs and services are consistent with the mission
  - Assess the quality of programs and services
- Ensure charter compliance
- Enhance public standing
- Ensure legal and ethical integrity and maintain academic and financial accountability
- Understand laws applicable to charter school board members
- Recruit and orient new board trustees and assess board performance
- Monitor school academic performance and ensure adequate progress is made
- Select the education service provider or charter management organization
- Perform operational oversight of the education service provider or charter management organization
- Attend training and conferences regularly

ReThink has entered into a good faith agreement with NEI to assume responsibility and authority for providing education management services to HOWE as the ESP. However, ReThink will retain decision-making and ultimate accountability for HOWE's performance. A draft management contract outlining responsibilities and performance metrics has been developed between ReThink and NEI, and is included as part of **Attachment 6**.

The relationship between ReThink and NEI will establish clear accountability for the services provided by NEI. ReThink as a whole will be responsible for HOWE's performance, and NEI will be actively involved in managing day-to-day school operations to ensure successful outcomes. A strong relationship will exist between HOWE's principal and ReThink. The principal will provide monthly status reports to ReThink and participate in all board meetings. During board meetings, the principal will present HOWE's status report and field any questions. NEI will maintain primary responsibility for reporting to ReThink and conducting follow-up action items. The principal will also act as the liaison between ReThink and HOWE's School Advisory Council (SAC). ReThink will interact with the SAC primarily through the principal and vice versa.

Together, ReThink and NEI possess the expertise, knowledge, and experience to ensure that HOWE continues to attain academic, operational, and financial success. To ensure that HOWE is on track to meet its goals for success, ReThink will provide an annual progress report to the ICSB. This report will include:

- HOWE's progress towards achieving the goals outlined in the charter contract
- HOWE's financial records, including revenues and expenditures
- The information required in the Charter School Annual Accountability Report, pursuant to IC 20-24-9-2

Table 2 below illustrates ReThink’s internal organizational goals, which will also ensure that HOWE attains academic, operational, and financial success.

Table 2

| ReThink’s Organizational Goals         | Measurable Objective   |
|--|--|
| <b>Properly Manage and Govern HOWE</b> | <ul style="list-style-type: none"> <li>• Operational policies</li> <li>• Academic and financial accountability</li> <li>• Reporting HOWE’s progress annually to the ICSB</li> <li>• Policies consistent with HOWE’s mission</li> <li>• Ensuring HOWE’s programs and operations are faithful to the terms of the charter, including compliance with statutory and regulatory requirements</li> </ul>  |
| <b>Oversee Operational Policies</b>    | <ul style="list-style-type: none"> <li>• Adhere to regularly scheduled board meetings in a manner compliant with Open Meeting Laws</li> <li>• Ensure HOWE’s operations align with operational policies and procedures</li> </ul>   |
| <b>Ensure Financial Accountability</b> | <ul style="list-style-type: none"> <li>• Annually adopt, maintain and amend (if necessary) the annual operating budget</li> <li>• Create or adopt policies for internal controls</li> <li>• Review and approve financial statements on a consistent basis</li> <li>• Ensure that HOWE has contracted with a certified public accountant for the annual financial audit</li> <li>• Review and approve the audit report, including audit findings and recommendations</li> </ul> |
| <b>Accountability for Performance</b>  | <p>Implement required reporting policies for NEI. Review the following performance reports from NEI on a periodic basis (monthly, quarterly, or annually as appropriate):</p> <ul style="list-style-type: none"> <li>• Financial reports</li> <li>• School report (enrollment, withdrawals, staffing, facility issues, and ongoing activities in HOWE)</li> <li>• Satisfaction surveys</li> <li>• Strategic plan</li> <li>• Annual accountability report</li> </ul>            |

ReThink has not yet established any advisory bodies or councils. However, ReThink may, by resolution, establish standing committees and special committees of the board.

4. Please provide, as Attachment 4, a copy of the school’s Governance Documents, including: 1) the organizer’s 501(c)(3) Determination Letter from the Internal Revenue Service, Articles of Incorporation, Bylaws, Conflict of Interest, and Code of Ethics policies.

Please see **Attachment 4**.

## School Management

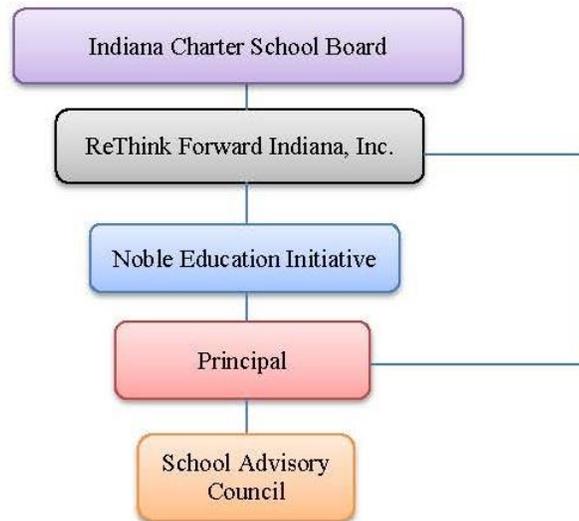
Describe the school’s leadership and management structure. How does this support the school design, as well as effective operations of the school? Has there been any recent significant leadership turnover at the school? Please provide, as Attachment 5, the resume for the current Head of School/Principal.

HOWE will be governed by ReThink Forward Indiana, Inc., which is comprised of Central Indiana leaders in education advocacy, community outreach, service organizations, and business and education partnerships. ReThink possesses decades of leadership experience in advocacy for education options, community resources, economic development, and workforce readiness, which positions the board to lead HOWE forward. These Indianapolis residents and leaders will provide the strength, vision, and oversight necessary

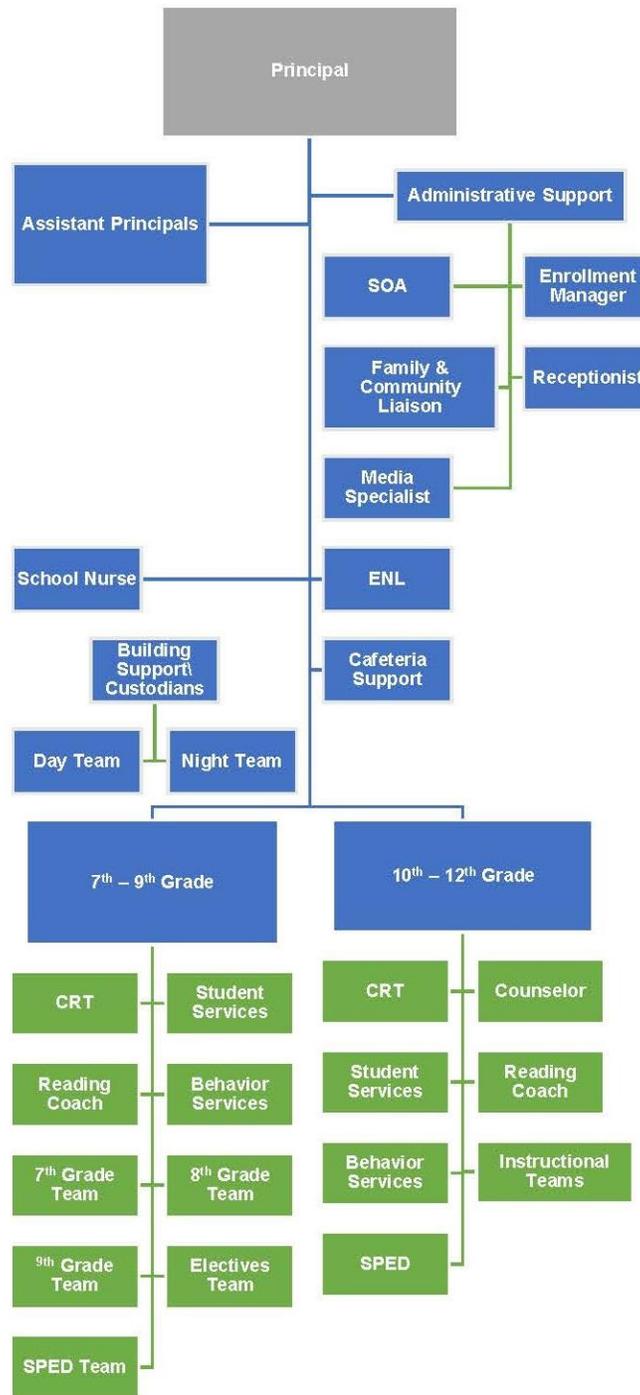
for the successful establishment and future operation of HOWE as a charter school.

ReThink will contract with NEI to provide day-to-day management services to HOWE. NEI is a non-profit ESP with the mission of creating a collaborative group of exceptional professionals who will boldly rethink education and make success attainable for all students, preparing the next generation to solve the complex challenges of tomorrow. NEI brings decades of experience in school management, turnaround operations, innovative program design, and data-driven instruction. This expertise will not only prepare students for the future, but also develop and train the next generation of school leaders.

NEI, on behalf of ReThink, will recruit, hire, train, and evaluate the school leadership. The school principal will manage the day-to-day operations of the school with NEI's support and resources. The principal will advise and inform a School Advisory Council (SAC) made up of parents of enrolled students, community partners, school staff, and students (relative to the grade level configuration). The SAC will be kept apprised of all aspects of school operations and provide advice on academic performance, school resources, community events, and matters related to overall student progress and well-being. An organizational chart of HOWE's governance structure is provided below.



All school staff will report to the principal who will direct the academic program of the school, oversee services to special populations (Special Education, English Language Learner (ELL), High Ability, etc.), provide cultural direction through the school wide behavior plan, direct extra- and co-curricular activities, and direct staff in these and other school leadership endeavors. The principal will direct the leadership team, which is comprised of positions that may include, but not be limited to assistant principal(s), dean, guidance counselor(s), instructional coaches, and non-instructional staff such as a registrar, school operations administrator, and administrative assistant(s). The strength of the leadership team is represented in the stability of the principal, assistant principal, guidance counselor(s), and instructional leadership team members, all of whom have served for no less than 2 years at HOWE. HOWE's accomplishments in culture, academics, college and career readiness, and community outreach have been driven by the continuity of the staff, which provides foundational strength in current and future service to students. A school-level organizational chart for HOWE is provided below.



Lloyd Knight currently serves as the principal of TC Howe Community High School. Mr. Knight is a trained peacekeeper, holds a Bachelor of Arts in Elementary Education from Shaw University, and earned his Master of Arts in Education Leadership from DePaul University. Mr. Knight is a career educator who started as a student teacher in North Carolina. He has served in nearly every role as an educator, including classroom teacher, curriculum resource teacher, assistant principal, principal, and school system leader. Throughout his career as an educator, Mr. Knight was drawn to conducting turnaround work as an instructional leader, and this led him to a role as principal of CICS Lloyd Bond, which is located in a community in Chicago facing

significant socioeconomic challenges. While under his leadership, CICS Lloyd Bond achieved breakthrough growth in reading and math. In two years, CICS Lloyd Bond went from the closed list to the 4<sup>th</sup> Best Charter Elementary School in the City of Chicago, according to Chicago Magazine.

After achieving great success in Chicago, Mr. Knight was promoted to the position of lead principal of North Carolina for Charter Schools USA. In this position, he spearheaded the expansion of five new buildings and led the largest network of charter schools in the state of North Carolina.

Mr. Knight returned to his work in school turnaround when he accepted the role of Principal at Thomas Carr Howe Community High School. Under Mr. Knight's leadership, HOWE achieved a historically high graduation rate of 92% in the 2017-18 school year. HOWE also earned the second highest ISTEP+ passing rate among all IPS schools in 2017-18. While serving as HOWE's principal, Mr. Knight is leading dynamic change in culture, academics, and pathways to graduation for students throughout Indianapolis.

**The following two questions apply only to charter schools that contract with an Education Service Provider ("ESP") to manage school operations.**

- 1. Explain why the ESP was selected to manage the school. How satisfied is the board with the ESP's performance to date?**

NEI brings decades of experience in school management, turnaround operations, innovative program design, and data-driven instruction. This expertise will not only prepare students for the future, but also develop and train the next generation of school leaders.

NEI has provided education consulting services and professional development training to HOWE for the 2017-18 and 2018-19 school years, including but not limited to curriculum planning and development, afterschool program services, SPED services, professional development training sessions, submission and management of school grants, transportation, food service, and facilities management.

To better serve HOWE, NEI established an Indiana state leadership team to provide the school with immediate, day-to-day local management of school operations. This experience has given NEI firsthand knowledge of HOWE's current student population, the challenges they face on a daily basis, and what needs to be done to overcome them. ReThink has been both impressed and satisfied with the services that NEI has provided to HOWE during this time.

Furthermore, NEI has been able to build and implement a solid academic and cultural foundation within HOWE over the past two years, which will allow them to transition seamlessly into the role of ESP and continue building on that foundation without loss of continuity.

NEI has been instrumental in driving the significant strides that have been made at HOWE since the start of the 2017-18 school year. In the most recent school year (2017-18), HOWE made significant improvements in numerous School Report Card categories. HOWE's graduation rate greatly increased from 49% in 2016-17 to 92% in 2017-18, an exceptional school and community achievement. On the 2017-18 ISTEP+, HOWE had the 2<sup>nd</sup> highest passage rate among all high schools within the IPS system. HOWE's growth points on the School Report Card for the math portion of the ISTEP+ Grade 10 increased by over 50 points compared to 2016-17, and by over 30 points in ELA. HOWE also expects 23% of students to achieve College and Career Readiness (CCR) in 2018-19, which will be exponentially higher than the 5% of students who

achieved CCR in 2017-18.

Furthermore, on the ELA portion of the ISTEP+, 8<sup>th</sup> graders doubled their proficiency compared to 2016-17, increasing by 21 percentage points. On the math portion, 8<sup>th</sup> graders increased their proficiency by 11 percentage points. ISTEP+ growth points on the School Report Card also increased by 12 points in ELA and 8 points in math.

For these reasons, ReThink determined that NEI would be the best ESP to manage HOWE.

- 2. Summarize the primary responsibilities of the ESP and please provide, as Attachment 6, a copy of the current executed management contract.**

The list below outlines and describes the primary responsibilities of NEI as HOWE's ESP. Please note that the exact responsibilities for which NEI will be held accountable has not been finalized and will be established during the contract negotiation process.

1. Selecting/Implementing Curriculum – NEI provides a customized curriculum designed to meet local, state, and national standards, including continuous program evaluation, materials selection, student data analysis, student individual education plans, and student record keeping.
2. Selecting/Implementing Professional Development Programs – NEI provides professional/school development and implements teacher instructional support, coaching, and mentoring. NEI also ensures government compliance and reporting with regard to teacher certifications.
3. Data Management and Selecting/Implementing Interim Assessments – NEI provides accountability standards and sustainable performance measures designed to meet local, state, and national standards.
4. Setting School Culture – NEI implement's HOWE's mission and vision via the curriculum and disciplinary policies and standards. NEI also provides assistance in coordinating parent, teacher, and student organizations.
5. Student Recruitment – NEI assesses demographic and market needs in order to develop the enrollment/marketing plan.
6. School Staff Recruitment and Hiring – NEI provides personnel administration, including the hiring of the principal, teachers, and other staff, as well as the implementation of personnel procedures and ongoing staffing assistance.
7. Financial Management Services – NEI provides financial management services, including General Governmental Accounting Policies, Financial Reporting, Budgeting, Cash Receipts and Deposits, Purchasing and Cash Disbursements, Capital Assets, and Payroll.
8. Human Resources Services (Payroll, Benefits, etc.) – NEI provides employee benefits, worker's compensation, 401(k) management, and payroll management.
9. Determining Employee Promotion Criteria – NEI Provides compensation planning and performance evaluations.
10. Managing Community Relations – NEI provides assistance in coordinating parent, teacher, and student organizations, as well as managing HOWE's partnerships.
11. Selecting and Providing Information Technology – NEI designs and develops technology labs and student stations, provides local and wide-area network installation, remote access and software integration, email hosting, and direct technology support/troubleshooting. NEI will also maintain HOWE's student information system and websites.

12. Managing Facilities – NEI also provides operational design of classrooms and school space and programmatic input for functionality purposes. Procures furniture, fixtures, equipment, supplies, and secures basic utility services (phone, water, electric, and disposal service).
13. Vendor Procurement – NEI negotiates contracted services with vendors (food, transportation, security, custodial, etc.).

## Education Plan

1. **Describe the educational philosophy of the school. Provide an overview of the curricula, tools, methods, and instructional techniques that support the educational philosophy.**

HOWE's educational philosophy rests on the shared belief that all students can learn. To bring this belief to life, all students will be given multiple opportunities to succeed in a positive, student-centered learning environment.

Teachers employ a system of learning stations, small group instructional delivery, project-based learning, and blended learning to ensure students are given opportunities to learn. The station model, in particular, has been effectively employed with success through a concentration in ELA and math classrooms. Block scheduling is employed for ELA and math which also adds to supporting deeper differentiation and understanding of content.

The learning environment at HOWE will continue to use online resources as one part of the learning process for students. These resources help the teacher to differentiate based on the student's ability level and interest. We have begun to utilize PowerSchool Unified Classroom, an all-in-one classroom management system that provides a 360-degree view of student performance, grading and attendance. This system provides classroom pages used for consistent communication with families and offers interactive, online assignments that provide enhanced engagement opportunities. This program is being introduced through a phased approach, beginning this year with approximately 25% of HOWE staff opting into utilizing the full program battery of features. We will increase utilization in the upcoming years and support teachers in using Unified Classroom as an instructional resource for blended learning.

Best instructional practices are continually infused into our academic plan, in addition to SEL competencies described further below. Instructional focus calendars are designed specifically for Indiana Academic Standards and drive the pace of the curriculum, ensuring critical standards are met, keeping students on track for successful progression.

Curricular resources used at HOWE in grades 7-8 include:

- i-Ready: Math and ELA software; curriculum; benchmark assessments
- Pearson's Indiana Interactive Science: middle school science textbook

Curricular resources used at HOWE in grades 9-12 include:

- Reading Plus: Instructional software used daily in ELA/Reading classes
- Carnegie Learning MATHia: Instructional software used daily in Math classes
- USA Test Prep: Supplemental materials for ELA
- Five Star Technologies Solutions Pivot Software: Used to create diagnostic, formative, and

summative assessments aligned to state testing in both ELA and Math; also includes benchmark assessments

- Edmentum PLATO: Supplemental course instruction for credit recovery

### **8-Step Process for Continuous Improvement**

The 8-Step Process for Continuous Improvement (Davenport & Hinckley, 2013) is a framework applied to our standards-based curriculum that ensures academic standards are implemented with fidelity and decision making is data-driven. This process is intended to enhance delivery of data-driven instruction for all students in a manner that maximizes our school resources. The steps in the process are defined below and work to remove subjectivity, eliminate the achievement gap, and create a climate of achievement and success. [include any extra information

1. **Data Disaggregation:** Consists of collecting baseline data from benchmark and standards-based assessments to be used to guide instruction and create student groupings. Personalized Learning Plans (PLPs), Leader in Me data binders, and data walls are evidence of this step in the classroom.
2. **Instructional Calendar:** Provides an explicit timeline of when standards that make up the curriculum are introduced, taught, and reviewed over the course of the school year and in 10 instructional units. The calendar also establishes formative assessment dates to ensure adequate time is allocated to essential standards and enough time is provided for instruction in between assessment periods.
3. **Instructional Focus:** Dependent on the Instructional Calendar and what the data dictates, as evidenced by effective whole-group, small-group, and one-on-one instructional planning and lesson delivery. This step ensures students are provided with the necessary time to practice essential standards prior to being assessed for mastery.
4. **Assessment:** Administered to determine student mastery of standards that are taught within specific units of instruction. Assessments leading up to the administration of state assessments include common unit assessments, i-Ready, and classroom-based formative assessments.
5. **Tutorial:** As demonstrated during Success Block, tutorials consist of standards-based re-teaching and remediation provided in small-groups and led by teachers who demonstrate the most success in instructional focus delivery. This ensures students receive the time and instruction to grow and sustain learning.
6. **Enrichment:** As demonstrated during Success Block, enrichment provides students who have demonstrated mastery of the previous unit's standards with an opportunity to stretch their learning and apply their knowledge in different contexts. This supports students in making connections to the real world and developing intrinsic motivation.
7. **Maintenance:** Consists of a spiral review of standards and continual attention to building and activating background knowledge. This is essential to ensure mastered skills, facts, and concepts are retained long-term.
8. **Monitoring:** Relates to the instructional processes and practices monitored to ensure curriculum and instruction is focused, data-driven, and effective. This is evidenced by classroom walkthroughs, data chats, and the setting of expectations and accountability for standards-based instruction by school leadership.

### **Success Block**

Success Block is a schoolwide initiative based on the 8-Step Process that includes the use of common monthly unit assessments, grade-level data chats, and flexible grouping. After each unit of standards-based instruction (approximately once per month), our teachers analyze student data and identify individuals who need remediation or enrichment. Students are then grouped based on skill level, with an instructional focus based on the school's academic priorities for the school year. Teachers and school administrators have

participated in training sessions related to Success Block since August 2017 and were guided through grade level data chats to support full implementation of a daily 30-minute data-driven instructional focus period.

Success Block involves all instructional staff members and provides the dedicated time and space needed for targeted remediation and enrichment. Students are strategically grouped with teachers across grade levels and content areas, with the teachers who were most successful in teaching the unit standards working with students who require targeted remediation in order to reach mastery. For students who have mastered unit standards, enrichment activities are provided to stimulate continued learning and engagement. Success Block is instrumental in providing struggling students with the extra time and focus necessary to make gains in learning and nurtures professional collaboration among staff members. With the added combination of RtI, tutoring, and push-in and pull-out supports, students are provided with the necessary support to ensure they are successful in meeting and exceeding grade level standards.

### **School Environment**

School culture at HOWE is developed through clear behavior expectations, integration of SEL within the curriculum, and restorative justice practices (detailed below). These three elements work in concert to support a “success” environment in which students feel safe, develop meaningful connections with school community members, and thrive personally and academically.

### **Social and Emotional Learning**

A key aspect of our standards-based curriculum is the integration of SEL strategies and activities within instructional units in order to develop student intrapersonal, interpersonal and cognitive skills alongside academic standards. Teachers flexibly employ a variety of strategies, such as cooperative learning groups, project-based learning and goal-setting, to best fit student SEL needs in the planning and delivery of standards-based lessons.

The Collaborative for Academic, Social, and Emotional Learning (CASEL) has identified five core competencies that can be taught across any discipline and are critically important for the long-term success of students in today’s economy. The competencies that we will work to actively develop are listed below.

- **Self-Awareness:** Students will experience the ability to accurately assess one’s strengths and limitations, with a well-grounded sense of confidence, optimism, and a “growth mindset.”
- **Self-Management:** Students will experience the ability to successfully regulate one’s emotions, thoughts, and behaviors in different situations — effectively managing stress, controlling impulses, and motivating oneself. The ability to set and work toward personal and academic goals.
- **Social-Awareness:** Students will experience the ability to take the perspective of and empathize with others, including those from diverse backgrounds and cultures. The ability to understand social- and ethical-norms for behavior and to recognize family, school, and community resources and supports.
- **Relationship Skills:** Students will experience the ability to establish and maintain healthy and rewarding relationships with diverse individuals and groups. The ability to communicate clearly, listen well, cooperate with others, resist inappropriate social pressure, negotiate conflict constructively, and seek and offer help when needed.
- **Responsible Decision-Making:** Students will experience the ability to make constructive choices about personal behavior and social interactions based on ethical standards, safety concerns, and social norms. The realistic evaluation of consequences of various actions, and a consideration of the well-being of oneself and others.

In addition to the SEL competencies focus outlined above, HOWE teachers actively develop social and emotional intelligence and character education through morning meetings, and quarterly core values recognition ceremonies. We have four core values, and each quarter, we focus on a different core value. In the first quarter, we teach character education and the behaviors we want to see in school through the core value of “integrity.” In the second quarter, we use the mood meter to teach emotional intelligence to support the core value of “passion.” The mood meter was developed by the Yale Center for Emotional Intelligence and is used to explore how emotions impact thoughts and behaviors in the classroom. In the third quarter, we teach civic education through the core value of “purpose.” In the fourth quarter, we examine the biographies of historically significant people to teach “grit.”

### **Restorative Practices**

HOWE implements evidence-based restorative practices as part of developing a supportive learning environment. Our use of these practices aims to increase accountability for students, strengthen their relationships with peers, and allow them to make more positive choices. We actively provide opportunities for students to:

- Become aware of the impact of their behavior
- Understand the obligation to take responsibility of their actions
- Take steps toward making things right

HOWE school community members aim to restore situations in lieu of delivering punitive action when it is appropriate or in addition to punitive action as needed. For example, when a student breaks a relationship with another person, he or she needs to restore that relationship through an apology. When a student vandalizes something, he or she needs to clean it. When a student makes a mess, that student cleans it up. We also provide opportunities for students to reflect on their actions, sometimes through detention, and give more grace to younger students than older students. However, we remain vigilant in teaching appropriate behaviors throughout the year. When there are conflicts, HOWE teachers run peace circles that provide the opportunity to build community in the classroom and discuss appropriate behavior choices to resolve conflict, handle grief, or address other issues students may face.

Implementation of restorative practices has helped us mitigate behavior problems and ensure all members of the school community feel accountable to our success environment. Though we try to protect instructional time for all students and avoid punitive consequences, students who violate a level two, three, or four infraction in the student code of conduct are given appropriate consequences, which may include the use of suspension.

SEL and Restorative Practices focused PD and training is provided during Returning Teacher Orientation (RTO) prior to the start of the school year. Throughout the year, initial RTO training is revisited and explored in further depth through monthly PD sessions facilitated by members of the administrative team, or NEI state leadership team members as appropriate. In these sessions teachers can share best practices and updates on student needs in addition to learning more about specific SEL and Restorative Practices. In addition to these in-house PD opportunities, HOWE staff will have access to collaboration sessions, as well as external trainings and experts, to enhance ability to effectively implement these frameworks based on need.

## **Cambridge Lower and Upper Secondary Programs**

To accommodate learners who are self-motivated, think creatively, thrive in collaborative settings, and display readiness for an accelerated course of study, we will implement Cambridge Assessment International Education's programs beginning next year. This determination was made by school leadership in consultation with the NEI Team and staff from Cambridge Assessment International Education to determine implementation readiness. HOWE is in the final stages of being designated a Cambridge International site.

### **Cambridge Lower Secondary**

Cambridge Lower Secondary emphasizes skills and understanding in English, mathematics and science and will be implemented in grades 7-8. Cambridge Lower Secondary provides a flexible teaching framework designed to engage learners in an active and creative learning journey for each of the following subjects:

#### **English**

- Cambridge Lower Secondary English enables learners to communicate confidently and effectively and to develop the skills to respond to a range of information, media and texts with understanding and enjoyment. Learners who follow this framework will develop a first language competency in English based on a curriculum designed to be successful in any culture and to promote cross-cultural understanding.

#### **Mathematics**

- The curriculum framework explores six content areas: numbers, algebra, geometry, measure, handling data and problem solving. The first five content areas are all underpinned by problem solving, which provides a structure for the application of mathematical skills. Mental strategies are also an important part of the number content. The curriculum focuses on principles, patterns, systems, functions and relationships, so that learners apply their mathematical knowledge and develop a holistic understanding of the subject.

#### **Science**

- This curriculum framework covers four content areas: scientific inquiry, biology, chemistry and physics. Scientific inquiry is about considering ideas, evaluating evidence, planning investigative work, and recording and analyzing data. The scientific inquiry objectives underpin biology, chemistry and physics, which are focused on developing confidence and interest in scientific knowledge. Environmental awareness and some history of science are also part of the curriculum.

#### **Cambridge Global Perspectives**

- Cambridge Lower Secondary Global Perspectives develops the skills of research, analysis, evaluation, reflection, collaboration and communication.

#### **Cambridge Information and Communications Technology (ICT)**

- Cambridge ICT is regarded as a new 'literacy' alongside reading, writing and numeracy. The ICT Starters framework, for learners ages 5-14, introduces learners to the key ICT applications they need to acquire computer literacy and understand the impact of technology on our daily lives.

### **Cambridge Upper Secondary**

Cambridge Upper Secondary builds on the foundations of the Lower Secondary program, although learners do not need to complete that program prior to participating in this program. Cambridge Upper Secondary starts with a foundation of core subjects and emphasizes the development of a cross-curricular perspective. Currently, there are over 50 subject areas available that can be offered in various combinations in grades 9-12.

Courses serve to develop learner knowledge, understanding, and skills in:

- Subject content
- Applying knowledge and understanding to new as well as unfamiliar situations
- Intellectual enquiry
- Flexibility and responsiveness to change
- Working and communicating in English
- Influencing outcomes
- Cultural awareness

The Cambridge program application process for schools involved meeting the following five criteria:

1. **School Mission and Educational Values:** Our mission of creating an environment that strengthens students academically, socially, and emotionally so they are prepared to succeed in the future supports us in fulfilling this component.
2. **School Management and Leadership:** Our management structure and ReThink's reporting and accountability guidelines and budgetary decision-making ensure we can fulfill this component.
3. **Quality of Teaching and Learning:** Our approach to instruction, annual PD plans, ongoing instructional coaching, and continuous improvement model ensure teachers are well prepared to implement the Cambridge frameworks.
4. **Physical Environments of the School:** Our existing facilities, secure testing environment, and learning resources support our school in meeting this requirement.
5. **Legal Requirements:** As an existing school operating in good standing, we are able to fulfill this requirement.

As part of our Graduation Pathways offerings, discussed further below, we will offer a Cambridge pathway and diploma option.

### **Cambridge AICE Diploma**

To achieve the Cambridge AICE Diploma, learners must successfully complete a minimum of seven credits (including Cambridge International AS Level Global Perspectives & Research) from subject groups 1, 2, and 3 (and optionally Group 4). Learners must achieve at least one credit from each of Groups 1, 2 and 3. The subject groups are listed below with a sampling of courses available through Cambridge.

- Group 1 – Mathematics and Sciences: Biology, Chemistry, Computer Science, Environmental Management, Further Mathematics, Information Technology, Mathematics, Physics
- Group 2 – Languages: Chinese, French, German, Hindi, Japanese Language, Portuguese, Spanish (First Language), Spanish
- Group 3 – Arts and Humanities: Art and Design, Business, Classical Studies, Digital Media & Design, Economics, Geography, History, Law, Media studies, Music, Psychology, Sociology
- Group 4 – Interdisciplinary subjects (optional): English General Paper, Thinking Skills

### **Cambridge Graduation Pathway**

Students must earn a C average or higher in at least 3 Cambridge courses in order to complete the Postsecondary-Ready Competencies portion of the graduation requirements for the state of Indiana.

## CTE / Industry Certification

CTE and Industry Certification opportunities will be offered to students in grades 9-12. Since not all students aim to pursue a 4-year or community college degree post-secondary, we want to provide students with the support they need gain valuable workforce experience and skills, as well as a chance to explore industry opportunities based on interest. Students in eighth grade may be offered introductory courses that prepare them for high school course offerings.

### CTE Graduation Pathway

Students must complete a required sequence of courses that are interrelated. Upon completion of the sequence (with a C average or higher in all required courses), students have completed the CTE Concentrator, which satisfies the Postsecondary-Ready Competencies portion of the graduation requirements for the state of Indiana.

HOWE will offer the following courses as part of its CTE and Industry Certification programming: Business, Marketing, Culinary Arts, Criminal Justice, Education Professions, Computer Science and pathways in partnership with Emmerich Manual High School such as Welding, Health Professions (Certified Nursing Assistant), and Industrial Maintenance.

### Graduation Pathways

Beginning with the graduating class of 2023, students must complete one option in each of the three mandatory components of Graduation Pathways as defined by the Indiana Department of Education. HOWE has opted to immediately begin offering the pathways in the current school year. Graduation Pathways allow students the opportunity determine how best they can meet diploma requirements based on educational interests and postsecondary educational and career goals.

- 1. Indiana Diploma Designation:** Students earn credits toward one of the following diploma designations.
  - Core 40, Academic Honors, Technical Honors, General, Cambridge
- 2. Learn and Demonstrate Employability:** Students demonstrate desired outcomes based on one of the three experience types earned. Depending on the experience type selected, students may demonstrate the desired outcome by earning dual credit, delivering a presentation, preparing a portfolio or video, securing a letter of employment verification, or completing a project among other approved options that satisfy this requirement.
  - **Project-Based Experience:** Allows students to gain knowledge and skills by working for an extended period of time to investigate and respond to an authentic, engaging, and complex question. Criteria for meeting this option successfully is derived from the seven design principles outlined by the Buck Institute for Education.
  - **Service-Based Experience:** Integrates academic study with service experience, reflects larger social, economic, and societal issues, and collaborative efforts between students, schools, and community partners. Criteria for meeting this option successfully is grounded in the guidelines from the National Youth Leadership Council's eight standards for quality service.
  - **Work-Based Experience:** Activities that occur in a workplace while developing the student's skills, knowledge, and readiness for work. Criteria for meeting this option successfully is based on the National Governors Association's four design principles.

3. **Postsecondary-Ready Competencies:** Students work to meet at least one of the following competencies, each with its own grade, score or other requirements:
  - Honors Diploma, ACT, SAT, ASVAB, Industry Certification, Apprenticeship, CTE Concentrator, AP/IB/Dual Credit, Cambridge, CLEP, Locally Created Pathways
2. **Describe any interim assessments (e.g., DIBELS, Acuity, NWEA MAP, TABE) used by the school to assess student performance and improvement.**

The use of Curriculum Associates' *i-Ready Assessments* and *i-Ready Instruction* at HOWE for grades K-8 will align valid and reliable instructional resources with individual student academic needs. Through a comprehensive system of data reports that support data-driven decision-making at all levels, *i-Ready Assessments* provide adaptive tools that accurately and efficiently determine student needs and provide instant reports on diagnostic results that help teachers better understand individual student needs. Students are automatically placed into personalized learning paths based on the results of the *i-Ready Diagnostic* that is customized to their *i-Ready* placement levels. The resulting unique lesson plans consist of online lessons based on assessment performance, with a personalized starting point for every student. These online lessons are designed to build conceptual understanding while engaging learners of all levels. The *i-Ready* assessments and instructional components provide an aligned, adaptive, online program designed to accelerate student growth and ultimately help students reach proficiency. Our teachers will work to maximize the use of *i-Ready* to keep accurate and timely evaluations of each student, and to track student growth and performance consistently and continuously throughout grades K-8.

A large-scale linking study on the relationship between *i-Ready Diagnostic* and the 2017 ISTEP+ found a strong correlation between *i-Ready Diagnostic* scores and scores on the 2017 ISTEP+ assessments (Curriculum Associates & Educational Research Institute of America, 2018).

HOWE will also use Pivot INSPECT®, an assessment item bank and suite of over 300 pre-built benchmark assessments. Assessments are composed of items that are written to measure high rigor, college and career readiness standards, including Indiana Academic Standards. All items include clear rationales for why a student would pick each wrong answer and wrong answers are created based upon the most-likely cognitive disconnects in learning. Rigorous item analyses are conducted to ensure the quality of the items in the formative assessment item bank. Assessments are available for grades 3-11 for English language arts and grades 3-8 and high school mathematics, with support for both integrated and end-of-course pathways. HOWE began using Pivot INSPECT® this year.

Key Data Systems (2016) conducted item- and test-level analyses that determined Inspect® items were able to discriminate well between high and low performers and correlations with other validated, comprehensive end-of-year tests such as ISTEP were found. This indicates that these assessments are highly predictive of various high-stakes tests and measure the intended content standards. See below for a description of the analyses performed.

Five-Star Technology Solutions has been providing Pivot and other services to Indiana educators for over 10 years. Pivot software modules work independently or in concert to help students not only assess students but make student data actionable with a variety of search, reporting, and dashboard functionalities.

Pivot includes INSPECT®—a proven item bank and suite of pre-built benchmark assessments to meet all of your assessment needs. INSPECT® gives educators the unique combination of rigor, innovation, integrity,

and instructional guidance with reliable benchmark and classroom assessments that are easy to implement and use.

With Pivot INSPECT®, Indiana educators have the tools they need to shape instruction for every student.

- 3. Is the board satisfied with the school's academic outcomes to date? If not, what corrective actions has the school taken to ensure the school is on a positive academic trajectory?**

ReThink is extremely satisfied with HOWE's current education plan and vision for improving academic outcomes, which were established in conjunction with school leadership and NEI when they began providing services at the start of the 2017-18 school year. In order to improve HOWE's academic performance and ensure a continued positive academic trajectory, NEI conducted an in-depth analysis of the school, its needs, and what programs and strategies would be required to meet them. In a short timeframe, NEI was able to thoroughly review HOWE's student performance data, as well as identify and implement the education plan, curriculum, instructional strategies, instructional software, textbooks, and formative assessment platforms that would meet the needs of HOWE's students and continue driving academic improvement. The effectiveness of these implementations are evident in HOWE's academic success over the last two school years.

In the most recent school year (2017-18), HOWE made significant improvements in numerous School Report Card categories. HOWE's graduation rate greatly increased from 49% in 2016-17 to 92% in 2017-18, an incredible school and community milestone. On the 2017-18 ISTEP+, HOWE had the 2<sup>nd</sup> highest passage rate among all high schools within the IPS system. HOWE's growth points on the School Report Card for the math portion of the ISTEP+ Grade 10 increased by over 50 points compared to 2016-17, and by over 30 points in ELA. HOWE also expects 23% of students to achieve College and Career Readiness (CCR) in 2018-19, which will be substantially higher than the 5% of students who achieved CCR in 2017-18.

Moreover, on the ELA portion of the ISTEP+, 8<sup>th</sup> graders doubled their proficiency compared to 2016-17, increasing by 21 percentage points. On the math portion, 8<sup>th</sup> graders increased their proficiency by 11 percentage points. ISTEP+ growth points on the school accountability report card also increased by 12 points in ELA and 8 points in math.

- 4. Please provide, as Attachment 7, a copy of the school's most recent accountability/ annual report prepared by its current authorizer.**

Since HOWE is not currently a charter school, the school does not receive an annual report from an authorizer.

## **Financial Management**

- 1. Who is responsible for managing the school's finances? Does the school have any contracts for bookkeeping services? If yes, please provide the name of any providers.**

ReThink will contract with NEI to provide financial management services to HOWE and will adopt established processes and procedures to ensure fiscal responsibility and sound internal controls. This includes General Governmental Accounting Policies, Financial Reporting, Budgeting, Cash Receipts and Deposits, Purchasing

and Cash Disbursements, Capital Assets, and Payroll. However, ReThink will retain ultimate control of HOWE's finances.

2. Please provide, as Attachment 8, a detailed 5-Year Pro-Forma Budget for the school by completing ICSB's "Budget Projections Workbook" which can be found on the ICSB website: <https://www.in.gov/icsb/2339.htm> under "Step 2: Full Application - Additional Required Forms.").

Please see **Attachment 8**.

3. Please provide, as Attachment 9, the last three years of audited financial statements and management letters for the school.

Please see **Attachment 9**. Please note that audited financial statement for the 2017-18 are not yet available.

4. Please provide, as Attachment 10, a detailed budget narrative that provides a high-level summary of the budget. The budget narrative should clearly describe assumptions and revenue estimates, including but not limited to the basis for Per-Pupil Revenue projections, staffing levels, facilities expenses, and technology costs. The narrative should also address any financial issues previously identified by its current authorizer.

Please see **Attachment 10** for a detailed budget narrative.

## Organization and Compliance

1. Is the school facing any major operational challenges, including challenges with facilities, transportation, technology, school lunch program, etc.? If yes, briefly describe the board's plan to address these challenges.

There are currently no major operational challenges at HOWE. However, there are potential operational challenges that may occur as a result of converting from a public school under IPS to a charter school. Under Indianapolis Public Schools, HOWE's transportation services are currently reimbursable and facility maintenance expenses are covered, in part, by the school district. ReThink is being proactive in identifying these potential challenges and using conservative budget assumptions to assume transportation and facility maintenance costs accordingly.

HOWE, having been directed by the Indiana State Board of Education to apply for a charter, intends to utilize the facility as appointed in IC 20-31-9-9 (d):

(d) If the state board directs the special management team to apply for charter school status under subsection (a)(2), the school is entitled to continue to use the school's facilities in the same manner as a charter school that acquires school facilities under IC 20-26-7-1 is entitled to use school facilities. Indianapolis Public Schools (IPS) has stated that their bond agreement may conflict with IRS code due to "private business use".

This concern is addressed as follows:

First, the application submitted, with the encouragement of the Indiana State Board of Education, is to run a public charter school. A public charter school demonstrates clear public use and benefit. Secondly, the applicant ReThink Forward Indiana, is an Indiana non-profit entity and is in process of obtaining its 501c3 IRS designation. Not only is the use of the facility public, the charter applicant's purpose and status also satisfy the requirements of the tax exempt nature of the existing bonds. The HOWE facility shall remain a facility utilized for public use. Lastly, the ownership of the facility shall remain with IPS.

If, for some reason, IPS continues to have concerns regarding the status of the use of the facility at HOWE, IPS Interim Superintendent Aleesia Johnson has acknowledged that IPS, consistent with Indiana law, has the opportunity to enter into an Innovation Agreement with the school. This is exactly the same type of agreement IPS is party involving Phalen Leadership Academy at George H. Fisher School 93, KIPP Indy Unite, and KIPP Indy College Prep. This is another method to address any structural concern as well and the parties would then enter a Use or Lease Agreement.

ReThink Forward Indiana, Inc. has been and will be in continuous availability for discussions with IPS concerning the usage of the facility and open to partnership to provide clarity for all parties regarding facility usage.

- 2. Provide a brief description of the history of the school's compliance with all applicable laws and its current charter.**

HOWE has not had any compliance issues since being designated a turnaround school in the 2012-13 school year.

- 3. Identify any current or past litigation, including arbitration proceedings, involving the charter school. Please provide, as Attachment 11, copies of: (a) complaints, (b) any responses to complaints, and (c) the results of any arbitration or litigation.**

HOWE has not had any legal issues since being designated a turnaround school in the 2012-13 school year.

- 4. As Attachment 12, please provide a single complete Statement of Assurances form, attached hereto as Exhibit D, signed by an authorized representative of the applicant group.**

Please see **Attachment 12**.

## Section II: Performance Record

The ICSB will base qualification decisions, in substantial part, on the past performance of the organizer and/or ESP. Please provide the following information about the school operated either by the organization or any ESP partner.

### Performance Record

1. Please complete ICSB's "Academic Performance Workbook" (found here: <https://www.in.gov/icsb/2339.htm> under "Step 2: Full Application - Additional Required Forms.") and attach as Attachment 13.

Please see **Attachment 13**.

2. **Tab 1 Academic Performance Workbook should include a summary of every charter school in the organization's portfolio, including every charter school currently managed by the proposed ESP partner (if applicable). Please include the following information for every school:**
  - a) Year opened;
  - b) Year closed and the reason for closure (if applicable);
  - c) City/location and school contact information;
  - d) Contact information for the authorizer;
  - e) Number of students and grade levels served;
  - f) The following student demographic and socioeconomic data: free/reduced-price lunch status, race/ethnicity, Special Education, and ELL;
  - g) The year in which the contract with the ESP commenced and/or ended (if applicable);
  - h) State assessment results for the past five years by grade level in English/Language Arts and Mathematics.
  - i) For High Schools Only, please provide:
    - o 4-year graduation rates;
    - o College and career readiness indicators, such as: the number and percent of graduating students taking and passing Advanced Placement or International Baccalaureate exams; and
    - o The number and percent of graduating students who have enrolled in post-secondary institutions, if available.

Please see **Attachment 13**.

3. **In subsequent Tabs of the Academic Performance Workbook, please provide growth and proficiency data for the past three (3) years by grade level in English/Language Arts and Mathematics for each school listed in Tab 1. Please indicate what instrument (e.g., NWEA, state growth model) was used to determine the growth and/or value-added results.**

Please see **Attachment 13**.

4. List any contracts with charter schools that have been terminated by either the organization or the school, including the reason(s) for such termination, date of termination and whether the termination was for “material breach.”

Neither ReThink nor NEI have ever received a charter contract termination.

5. List any and all charter revocations, non-renewals, shortened or conditional renewals, and/or withdrawals/non-openings of schools operated by the organization and explain.

Neither ReThink nor NEI have ever received a charter contract revocation, nonrenewal, or withdrawal.

6. Explain any performance deficiencies or compliance violations that have led to formal authorizer intervention with any school operated by the organization in the last three years, and how such deficiencies or violations were resolved.

Neither ReThink nor NEI have ever received any performance deficiencies or compliance violations that have led to authorizer intervention.

#### Written Acknowledgement from the School’s Current Authorizer

Pursuant to IC § 20-24-3-4(d), the governing body must provide, as **Attachment 14**, written acknowledgement of its Application to the ICSB from its current authorizer.

#### Section III: Additional Information Required for Schools Who Have Received Notice of Charter Termination or Nonrenewal

A charter school that seeking to change authorizers after receiving official notice of termination or nonrenewal of its current charter agreement must submit, as **Attachment 15**, a letter, signed by the governing board of the Charter School, which includes or addresses the following information:

1. An explanation of why the current authorizer is terminating or not renewing the charter school’s current charter agreement. **Please include all correspondence, notices, findings, audits, and any other documentation related to the authorizer’s decision to terminate or non-renew.**
2. A statement describing the school’s history of compliance (or non-compliance) with all applicable laws and its current charter.
3. A description of how the governing board has or plans to address the issues raised by the charter school’s current authorizer leading to the authorizer’s decision to terminate or non-renew the school’s current charter agreement. **Please include any documents (e.g., board resolutions, correspondence, contracts, etc.) related to changes made by the governing board to address such deficiencies.**

Since HOWE has not received a notice of charter termination or nonrenewal, this section is not applicable.

## Submission of Full Application

Please provide, as **Attachment 16**, one (1) PDF file that contains all application components, including the School Overview Template, the Proposal Narrative Template, and all required Attachments. This PDF file will be posted on ICSB's website as required under Indiana law and in accordance with ICSB policy. Therefore, please be certain that this attachment contains no confidential personal information. In addition, please adhere with the guidelines provided under the Notice of Disclosure section on page seven of this document for any other information considered confidential.

Please see **Attachment 16**.

Attachment 1  
Board Member  
Resumes

**David R. Mikelsons**  
6701 N. College Ave  
Indianapolis, IN 46220  
Email address:david.mikelsons@gmail.com  
Cell phone: 317.384.8479

## **OBJECTIVE**

To obtain a position in which I can work in a young, personal goal setting company.

## **HIGHLIGHTS**

Excellent Computer Skills. Microsoft Word, Excel, Outlook & PowerPoint.

## **SKILLS**

- AFSC Certified in HIPP Trainings – In collaboration with local communities and neighborhoods, AFSC's programs foster understanding through cultural development and examination of racial, gender, social and economic diversity.
- Certified in Character Counts – Character Counts is a nationwide program that focuses on six pillars of character, Respect, Responsibility, Trustworthiness, Citizenship, Fairness and Caring. Each pillar is examend, and discussed about how to apply them in real world settings.
- Improved ability to Teach, Enforce, Advocate and Model (T.E.A.M.) good character, by facilitating students, and guiding, but not "showing" them how to develop good character.

## **EXPERIENCE**

### **Indianapolis Urban League, Indianapolis, Indiana**

A Indianapolis-based community non-profit to assist African Americans, other minorities, and disadvantaged individuals to achieve social and economic equality through education, workforce training or health and wellness opportunities.

**Manager of Project Ready and Educational Initiatives Indianapolis Urban League-** Manages five Project Ready sites, plans and executes college trips, community based events and coordinates youth attendance for the National Youth Summit  
(2017-)

### **Site Coordinator Indianapolis Urban League, Indianapolis, Indiana**

Site coordinator of **Project Ready** at Thomas Carr Howe Community School

Working with AVID 11<sup>th</sup> and 12<sup>th</sup> graders on college readiness and social and economic issues.

November 2010-

### **PEACE LEARNING CENTER, Indianapolis, Indiana**

*A Indianapolis-based community non-for-profit educational organization that educates inspires and empowers people to live peacefully. The PLC establishes safe and common ways to address differences and promotes processes to help build community and healthy communication for youth, parents and professionals.*

Americorps-2005- 2006- Facilitator (Worked one-on-one with youth and adults)

2006-2007-Team leader (Scheduled school visits, coached fellow co-workers and worked with youth)

2007-2008- Contractor (Developed program, scheduled school programing and worked on youth team building)

**2008-2009- Program Coordinator** (developed programing, met with principals and school counselors, evaluated staff development, scheduled school programs, lead team building sessions, oversaw staff development)

#### Program Coordinator

- Responsible for growing organizational capacity by managing program initiatives and creating communication strategies.
- Supervised a staff of 6, involving training, workflow, quality control and conflict resolution.
- Built a strong client base through personal attention, quality service, and consistent follow through.

- Developed Peace School Curriculum. [A K-12 program that teaches conflict resolution, team building, and community values & awareness. Focusing on the individual as well as youth participation in group and community settings, by identifying adults who exemplify values of positive character.

**EXECUJET**, Indianapolis, Indiana

1998-2001

*A division of American Trans Air. A leading global business aviation organization offering diverse scheduled service and charter flights.*

Executive Assistant

- Conducted calendar management, meeting coordination and mail processing.
- Possessed technical proficiency by operating multi-line phone systems, copiers, printers, fax machines and computers.
- Created highly effective organization systems for easy access to critical information and improved office functioning.

**E D U C A T I O N**

**Marion College** - Indianapolis, Indiana - 2001-2005 Major: History & English Minor: Political Science

**Park Tudor High School** - Indianapolis, Indiana - 1993-1997

REFERENCES UPON REQUEST

# DEREK REDELMAN

7002 Broadway Street  
Indianapolis, IN 46220

[www.linkedin.com/in/derekredelman](http://www.linkedin.com/in/derekredelman)

(317) 991-2639 C  
[derekredelman@att.net](mailto:derekredelman@att.net)

## WORK HISTORY

REDELMAN ASSOCIATES - Indianapolis, IN 2018-Present; 2003-2007; 1998-2000; 1996-1997

### Founder & President

Founded and run a research, consulting and advocacy firm focused on education issues. State and national clients have included: Institute for Quality Education, Marian University, Indiana Chamber of Commerce, Indiana Non-Public Education Association, Ball State University, Charter School Leadership Council, Ivy Tech State College, Southeast Neighborhood School of Excellence, Hudson Institute, Project E and the GEO Foundation.

STRADA EDUCATION NETWORK (Formerly USA Funds) - Indianapolis, IN 2014 - 2018

### Vice President, Research & Policy (2016 - 2018); Senior Program Director (2014 - 2016)

Overall leadership responsibility for developing & leading two of four grant portfolios in support of its new mission of "Completion with a Purpose." Managed more than \$6M in grants focused on employer engagement, state data systems and accreditation reform. Helped develop & lead major partnership with Gallup, Inc.

INDIANA CHAMBER OF COMMERCE - Indianapolis, IN 1997 - 1998; 2007 - 2014

### Vice President, Education & Workforce Development Policy (2007 - 2014); Director of Education Policy (1997 - 1998)

Represented Indiana business community as an advocate for education reform. Managed three policy committees consisting of the State's top business leaders. Lobbied state legislature and led outreach efforts to members, coalitions and local chambers of commerce. Secured philanthropic grants from Lumina Foundation, Joyce Foundation, Lilly Endowment and US Chamber Foundation, and managed several coalitions.

HUDSON INSTITUTE - Indianapolis, IN 2002 - 2003; 1998 - 2000; 1996 - 1997

### Senior Fellow / Director of Education Policy (2002 - 2003); Adjunct Director, Indiana Education Information Center (1998 - 2000); Independent Researcher (1996 - 1997)

Conducted public policy research focused on market-based education reform issues, including charter schools, school choice, testing, accountability & school performance measures. Developed productive relationships with business and public policy leaders, and provided critical information, policy briefs and performance analyses.

CHRISTEL DEHAAN FAMILY FOUNDATION/PROJECT E - Indianapolis, IN 2000 - 2002

### Executive Director (2001 - 2002); Director of Research and Education Outreach (2000 - 2001)

Contributed to leading / restructuring a statewide school reform initiative in its early stages of existence. Led passage of Indiana's first charter school law and established initial support infrastructure resulting in 11 new charter schools opening within one year of the law's passage. Managed all aspects of a family foundation and initiated major restructuring process. Managed up to eight direct reports.

## ADDITIONAL WORK EXPERIENCE

INDIANA PUBLIC BROADCASTING STATIONS, INC. - Indianapolis, IN 1993 - 1996

### Executive Director

SUELLEN REED FOR STATE SUPERINTENDENT 1992

### Campaign Manager

H DEAN EVANS FOR GOVERNOR 1992

### Policy and Media Director

INDIANA DEPARTMENT OF EDUCATION - Indianapolis, IN 1988 - 1993

### Special Assistant to State Superintendent; Policy & Program Specialist; External Affairs Specialist

## EDUCATION

**Master's in Business Administration (MBA)**, Concentrations in Finance, Economics & Accounting;  
University of Chicago - Chicago, IL (1998)

**Bachelor of Arts (BA)**, Political Science & Public Administration, Concentration in Public Policy Analysis;  
Miami University - Oxford, OH (1987)

## RECENT COMMUNITY ACTIVITIES

**Bishop Chatard High School** - Board of Regents, Fund Development Chair

**Archdiocesan Catholic Schools Commission** - Member & Past President

**Broad Ripple-Haverford Little League** - Board Member & Softball Coach

**Immaculate Heart of Mary** - Middle School Softball Coach

**Christ the King Catholic Church** - Summer Social Chair, Sports Committee Chair, School Commission

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# JAKE MEDLONG

## PROFILE

Adaptive professional with 11+ years of experience and a proven knowledge of community outreach, organizational leadership, and not-for-profit management. Aiming to leverage my skills to successfully fill the Board Member role at your organization.

## CONTACT

PHONE:  
317-946-0335

WEBSITE:  
[www.kidsinc-indy.com](http://www.kidsinc-indy.com)

EMAIL:  
[jake@kidsinc-indy.com](mailto:jake@kidsinc-indy.com)

ADDRESS:  
140 S Butler Ave  
Indianapolis, IN 46219

## HOBBIES

Hobby #1 Playing guitar  
Hobby #2 Playing mandolin  
Hobby #3 Photography  
Hobby #4 Woodworking

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## EDUCATION

**Calvary Chapel Bible College - Indianapolis**  
Associates in Biblical Studies (May 2002)

**Crossroads Bible College**  
Bachelor's in Biblical Counseling (May 2012)

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## WORK EXPERIENCE

### **KIDS Inc (Kids in Discipleship and Service Inc)**

#### **Executive Director**

October 2011 - Present

- Organize and direct volunteers and staff to provide technical and advisory assistance for programs.
- Direct, plan and implement policies, objectives, and activities of the organization to ensure continuing operations and to maximize returns on donations.
- Establish goals and procedures for fundraising, develop and cultivate donor relationships and coordinate disbursement of funds.

### **KIDS Inc (Kids in Discipleship and Service Inc)**

#### **Boys Outreach Coordinator**

February 2008 - October 2011

- Mentoring teenage young men.
- Plan and execute weekly programs for the development of teenagers in the Fountain Square area of Indianapolis.
- Lead and teach weekly Bible studies

### **Horizon Christian Fellowship – Central**

#### **Assistant Pastor / Worship Leader**

April 2002 – Present

- Organizing volunteer worship band, arranging, practicing, and performing weekly worship songs.
- Leading the Pastoral Counseling ministry.
- Serving on the church board of directors.

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## ADDITIONAL SKILLS

- Community Outreach
  - Public Speaking
  - Teaching
-

## PROFESSIONAL SUMMARY

Pragmatic, flexible, and detail-oriented professional with strong communication skills who works effectively with diverse audiences to cultivate relationships and facilitate collaboration. Enthusiastic and respected leader exceptionally skilled in problem-solving, accurate execution and analyzing/presenting complicated subject matter. Driven by the challenge of juggling multiple projects on tight deadlines. In-depth understanding of the vital role internal and external “customer” service plays in any successful organization.

## HIGHLIGHTS OF PROFESSIONAL EXPERIENCE

### FOUNDATION FOR EXCELLENCE IN EDUCATION

JULY 2016 TO PRESENT

#### DIRECTOR OF DEVELOPMENT AND MIDWEST REGIONAL ADVOCACY DIRECTOR

- Share and leverage policy and communications research and resources to engage funders, prospective donors, policymakers, in-state champions and partners to achieve *ExcelinEd*'s objectives
- Nurture and maintain relationships with funders, prospective donors, lawmakers, state government staff and partner organizations and work collaboratively with all external stakeholders to achieve *ExcelinEd*'s goals
- Collaborate with teammates throughout organization to craft fundraising proposals
- Develop, implement and maintain state advocacy component of annual policy action plans including cultivating, protecting, improving and/or passing *ExcelinEd* policies in 11 targeted states
- Identify, educate and recruit in-state policy champions to advance *ExcelinEd* priority policies
- Coordinate closely with communications team to ensure timely and relevant information on state legislative activities, outcomes and impact is appropriately disseminated

### INDEPENDENT CONSULTANT

MAY 2011 TO JUNE 2016

- Provide expertise in communications, strategic planning, operations, project management and policy to a diverse group of clients including The Mind Trust, EmployIndy (part-time Director of Hire Up Strategic Initiatives), Goodwill Education Initiatives, the Honorable Stephen Goldsmith, Harvard University, Huron Consulting Group, and the Indiana Department of Education
- Investigated potential for launching EdWorks Indiana (an affiliate of America Succeeds)—a statewide, nonpartisan, nonprofit organization focused on amplifying the voice of the business community to advance innovative education policies—to promote policies aimed at ensuring every Indiana student has access to an excellent education and graduates with the knowledge, skills, and behaviors necessary to succeed in a competitive global economy

### INDIANA DEPARTMENT OF EDUCATION

SEPTEMBER 2009 TO MAY 2011

#### COMMUNICATIONS DIRECTOR AND DIRECTOR OF STRATEGIC INITIATIVES

- Led staff of nine in cultivating relationships with members of the media, educators, parents, and other education stakeholders—particularly critical in 2011 when the legislature passed a comprehensive education reform agenda
- Launched aggressive strategy to communicate directly and effectively with Indiana's educators, oversaw all aspects of Indiana's first State of Education address, established regular regional educator meetings, created Indiana's Education Reform Cabinet, and introduced Indiana's Parent Pledge and TELL Ambassador program
- Wrote, edited, and disseminated all official communications from the Superintendent to external and internal stakeholders and supervised the coordination of Superintendent's speaking engagements and appearances
- Created, implemented and managed scheduling process to ensure internal efficiency and best use of time
- Managed operational aspects of cross-functional projects (such as the Race to the Top federal grant application process, the Learning Connection rollout, and teacher evaluation tool creation) as prioritized by the Superintendent

### OFFICE OF MAYOR GREG BALLARD

MARCH 2008 TO AUGUST 2009

#### DIRECTOR OF WORKFORCE & EDUCATION INITIATIVES

- Established partnership with United Way of Central Indiana to launch community school project involving financial investment by the City in two elementary schools and recruited volunteers for reading tutoring program
- Developed strategic plan to re-align the Indianapolis Private Industry Council (IPIC) which required interpreting federal law, restructuring the IPIC Board of Directors, and building consensus for the Mayor's vision for workforce development to streamline and improve the quality of traditional workforce services delivered in Indianapolis

- Collaborated with co-workers and agency counterparts to identify priorities, develop policy recommendations, and implement programmatic activities consistent with the administration's strategic goals
- Represented Mayor's Office on various committees focused on educational and workforce opportunities
- Coordinated and executed public events to promote the Mayor's policy agenda

**OFFICE OF U.S. SENATOR DICK LUGAR**

**NOVEMBER 2004 TO FEBRUARY 2008**

**POLITICAL DIRECTOR AND LEGISLATIVE ASSISTANT**

- Developed and launched FUEL FREEDOM initiative, a public awareness campaign promoting energy independence
- Planned and executed ballot access project, gathering nearly 30,000 petition signatures—only 4,500 required by law—through effective grassroots communications efforts and leadership of approximately 600 volunteers
- Created and managed the County Coordinator program involving 138 coordinators covering 80 counties statewide
- Devised and implemented premier military and overseas voter outreach plan
- Tracked legislation and updated the Senator on issues involving labor, housing, trade, election and campaign finance reform, Social Security, rural development and postal issues
- Represented the Senator in meetings with constituents and representatives from federal agencies
- Drafted press releases, speech materials, correspondence and legislation on behalf of the Senator
- Assisted constituents and organizations in identifying and applying for federal grants

**THE INDIANA REPUBLICAN PARTY**

**MAY 2002 TO NOVEMBER 2004**

**ASSISTANT DIRECTOR OF FINANCE & OPERATIONS AND PRESS SECRETARY**

- Directed operations including relocation of party headquarters, maintenance of confidential employee and financial records, and other managerial functions including development, implementation, supervision and evaluation of internship program
- Wrote and edited communications pieces for elected and party officials
- Aggressively pitched stories and events to media while developing relationships with political reporters and editors and continuously researched and monitored media coverage of issues vital to the party's mission
- Planned and executed major party events including election night celebrations and fundraisers

**CALDWELL VANRIPER / MARC**

**SEPTEMBER 2001 TO MAY 2002**

**PUBLIC RELATIONS ACCOUNT EXECUTIVE**

- Devised strategic communications plans to generate positive media coverage, public awareness, and sales through events, partnerships, and media relations for clients such as the Indy Chamber and the NCAA Hall of Champions

**MAYOR STEVE GOLDSMITH**

**JUNE 1998 TO AUGUST 2000**

**MEDIA / SPECIAL ASSISTANT TO MAYOR (OFFICE OF THE MAYOR AND BAKER & DANIELS LLP)**

- Wrote and edited communications pieces and assisted with local and national media relations for the Mayor
- Directed Mayor's complex scheduling operation to ensure efficient and effective time use

## **RECENT COMMUNITY ENGAGEMENT**

- ReadUP – Elementary Reading Tutor (2008 to 2009 and 2015 to 2016)
- Big Brothers Big Sisters of Central Indiana – Volunteer Mentor (officially 2008 to 2011, but relationship ongoing)
- Boards, committees and councils – United Way of Central Indiana: Ready to Learn Ready to Earn Committee, Early Childhood Policy Task Force, Success By 6 Leadership Council and Executive Committee; Conexus Dream It Do It Central Indiana Steering Committee; College Summit Advisory Board; Making Connections Indianapolis Board; IUPUI P-20 Council; I-STEM Central Indiana Regional Advisory Board; Indy Reads Steering Committee (2008 to 2009)

## **EDUCATION**

**M.A. IN JOURNALISM – PUBLIC AFFAIRS MINOR**

INDIANA UNIVERSITY, BLOOMINGTON, INDIANA

**AUGUST 2001**

**B.A. IN COMMUNICATIONS / PUBLIC RELATIONS**

PURDUE UNIVERSITY, WEST LAFAYETTE, INDIANA

**MAY 1998**

**SARA NICOLE DRAKE**  
50 N. Sheridan Ave Indianapolis, IN 46219  
(c) 317.341.4694 sara.nicole.drake@gmail.com

**EDUCATION**

**THE UNIVERSITY OF MONTANA, Master of the Arts, 2014**  
Clinical Mental Health Counseling  
**THE OHIO STATE UNIVERSITY, Bachelor of the Arts, 2008**  
Majors: Cultural Anthropology and Women's Studies  
Minor: Communication

**PROFESSIONAL EXPERIENCE**

**ADULT AND CHILD HEALTH CENTER** Indianapolis, IN  
**OUTPATIENT THERAPIST** **10/2016-PRESENT**  
**LEAD CLINICIAN** **8/2017-PRESENT**

- Intervenes therapeutically to establish rapport and move SMI adult clients toward recovery in an outpatient setting, including traditional therapy a skills development
- Utilizes evidenced-based techniques from various theoretical orientations to create and implement person-centered treatment plans that are staffed with a licensed psychologist
- Created and acts as chair of organization-wide community resource committee
- Mastered and assists co-workers in learning two different EMR systems to properly document visits and client information
- Observes and provides feedback for new clinicians regarding treatment meetings, documentation notes, and evaluations to ensure compliance to company policies and exceptional clinical service
- Collaborates with other providers, both inside and beyond the agency, to provide clients with comprehensive care that best supports and encourages long term recovery

**WESTERN MONTANA MENTAL HEALTH CENTER** Missoula, MT  
**COMPREHENSIVE SCHOOL AND COMMUNITY TREATMENT THERAPIST** **2014-2016**

- Assessed, diagnosed, formulated treatment plans, and administered care for a changing caseload of SED youth within the school setting, as well as maintaining ongoing communication with adult caregivers
- Supported the family unit and school staff by working to teach social-emotional skills and manage the crisis cycle of each child, including immediate interventions as well as group and individual therapy
- Collaborated with community agencies and acted as liaison to assist clients' families in gaining resources and support across various settings
- Facilitated treatment team communication and meetings, tracking treatment progress through student data and administering fidelity check on behavior plans with school staff and client families

**TRAPPER CREEK JOB CORPS** Darby, MT  
**STUDENT COUNSELING INTERN** **2013-2014**

- Established therapeutic relationships with students on center in a one-on-one setting
- Created and administered counseling treatment plans adolescent residents based on their personal goals
- Implemented TEAP (drug and alcohol treatment) programming in a 6-session group setting to multiple cycles of at-risk teens
- Consulted with on-site mental health consultant and supervisor weekly to monitor goal achievement in individual clients, including note writing and video supervision

**UNIVERSITY OF MONTANA** Missoula, MT  
**GRADUATE TEACHING ASSISTANT** **2013-2014**

- Produced and circulated weekly departmental newsletter
- Acted as contact person between prospective students and the counselor education department, including 20 office hours per week
- Scheduled and coordinates lab practicum experience for first-year MA student counselors
- Teaching assistant for *Theories of Counseling and Psychotherapy*, including proctoring exams and grading undergraduate papers

## VOLUNTEER EXPERIENCE

|  |                     |
|--|---------------------|
| <b>INDY READS</b>  | <b>2018-PRESENT</b> |
| <ul style="list-style-type: none"><li>● Adult Literacy Tutor</li><li>● Weekly tutoring sessions following each student's ILP (Individual Lesson Plan)</li></ul>  |                     |
| <b>ORGANIZING FOR AMERICA</b>  | <b>2011</b>         |
| <ul style="list-style-type: none"><li>● Summer organizer</li><li>● Directed voter registration events</li><li>● Recruited volunteers and organized geography-specific campaign planning meetings</li></ul> |                     |
| <b>GIRLS, INC</b>  | <b>2011</b>         |
| <ul style="list-style-type: none"><li>● Program facilitator</li><li>● Instructed girls based on pre-arranged curriculum to encourage positive body image in 3<sup>rd</sup> graders</li></ul>               |                     |
| <b>MIDTERM ELECTIONS</b>   | <b>2007-2008</b>    |
| <ul style="list-style-type: none"><li>● Exit pollster, CITI certified</li></ul>  |                     |
| <b>AFSCME</b>  | <b>2008</b>         |
| <ul style="list-style-type: none"><li>● Presidential race volunteer</li><li>● GOTV phone banks and leafleting</li></ul>  |                     |

## ACADEMIC EXPERIENCE

|   |                  |
|---|------------------|
| <b>THE UNIVERSITY OF MONTANA- COUNSELOR EDUCATION DEPARTMENT</b>  | <b>2013-2014</b> |
| <b>STUDENT INTERN- INTIMATE RELATIONSHIPS LAB COUNSELOR</b>   |                  |
| <ul style="list-style-type: none"><li>● Conducted weekly counseling for eight sessions with each client</li><li>● Established a therapeutic relationship and used therapeutic interventions to provide support</li><li>● Video-recorded and took notes on each session while receiving weekly supervision</li></ul> |                  |
| <b>THE OHIO STATE UNIVERSITY-NORTH AREA</b>   |                  |
| <b>STUDENT ADMINISTRATIVE ASSISTANT</b>   | <b>2005-2008</b> |
| <ul style="list-style-type: none"><li>● Entered data and maintenance of service requests</li><li>● Processed general purchasing and requisition of goods</li><li>● Administrative assistant to over 20 university employees</li><li>● Proficient in Microsoft &amp; Mac office programs</li></ul>                   |                  |
| <b>ALPHA OMEGA EPSILON, PROFESSIONAL SORORITY</b>   | <b>2004-2008</b> |
| <ul style="list-style-type: none"><li>● Two year Treasurer and Recruitment Chair</li><li>● Collection of dues and bill payments</li><li>● Led committee to increase membership</li></ul>  |                  |
| <b>TRIOTA, WOMEN'S STUDIES HONORARY SOCIETY</b>   | <b>2007-2008</b> |
| <ul style="list-style-type: none"><li>● Treasurer</li></ul>   |                  |
| <b>OHIO UNION ACTIVITIES BOARD</b>  | <b>2007-2008</b> |
| <ul style="list-style-type: none"><li>● Marketing Committee</li></ul>   |                  |

## **Rev. Judith K. Fackenthal**

5808 E. New York Street, Indianapolis, IN 46219

317-435-5364

Email: jufack@gmail.com

**Vocational Metaphor/Purpose:** Called to be a spiritual midwife-working and ministering alongside others; assisting as they give birth to what God calls forth in them.

Seeking opportunities to guide persons both ordained and non-ordained, who desire a holistic sense of self as they live into their full potential.

### Education

- ❖ Ball State University: B.S., 1978
  - Choral Music Education
  - Special Education
- ❖ Christian Theological Seminary: M Div., 1993
- ❖ Spiritual Direction Internship: Benedictine Center, Beech Grove, IN, 2013

### Employment

- ❖ Garfield Park Baptist Church (Indianapolis, IN), 1999-present; Minister
- ❖ Christian Theological Seminary, 1999-present; Field Education Supervisor and Consultant of Supervisors
- ❖ Christian Theological Seminary, 2007-2009; Co-Instructor for *Introduction to Christian Ministry*
- ❖ Covenant Baptist Church (Indianapolis, IN), 1996-1999; Minister
- ❖ Covenant Baptist Church, 1993-1996; Co-pastor
- ❖ Covenant Baptist Church, 1989-1993; Associate Minister

- ❖ Covenant Baptist Church, 1985-1989; Minister of Christian Education and Music
- ❖ Judson Press Sales Representative, 1985-1988
- ❖ Covenant Baptist Church, 1982-1985; Minister of Music and Youth

Denominational Leadership (national and regional)

- ❖ American Baptist Churches, USA Board of General Ministries, 2014-current
  - Past-President of BGM 2018-2019
  - President of BGM 2016-2017
  - Vice-President of BGM 2014-2015
  - National Leadership Council (NLC) 2016-2017
- ❖ General Secretary Search Committee-chair 2016-2017
- ❖ United Mission Adaptive Challenge Team for BGM 2014-2015
- ❖ New Baptist Covenant board member 2016-current
- ❖ Development Team of ABCUSA 2016-2019
- ❖ American Baptist Foundation Board of Directors, 2000-2011
  - Board Chair 2008-2011
  - Board Vice Chair 2006-2008
- ❖ American Baptist Churches of Greater Indianapolis Board of Directors
  - 2007-2011
  - 2002-2006
  - 1995-1998
  - 1987-1988 Board President
- ❖ American Baptist Minister's Council of IN/KY, 1997-1999

- Vice-Chair
- ❖ Edna Martin Christian Center (Indianapolis) Board of Directors, 1994-1999
  - 1997-1999 Board Chair

### Preaching/Speaking Engagements

- ❖ Evergreen Baptist Association annual meeting, speaker 2017
- ❖ American Baptist Churches of Connecticut-workshop leader, annual meeting speaker 2017
- ❖ American Baptist Churches of Puerto Rico-presenter 2017
- ❖ World Mission Conference of International Ministries of ABCUSA 2016
- ❖ Nagaland Baptist Churches Conference-preacher 2015
- ❖ Christian Theological Seminary-Spirituality and Ministry Class for M.Div. students, 2012-2016; Presentation on Spiritual Direction and Spiritual Practices for seminarians
- ❖ American Baptist Women of Indiana/Kentucky Annual Meeting, October 2014; workshop leader-Homelessness Concerns
- ❖ American Baptist Women's Ministry-Online Forum, May 2014; Speaker for Homelessness Concerns
- ❖ Fifty-Seventh Anniversary sermon: New Covenant Christian Life Center; 2013
- ❖ Tuxedo Park Baptist Church-Semi Annual Family Gathering, May 2011; speaker for Family Gathering meeting-Homelessness Concerns
- ❖ American Baptist Church of Greater Indianapolis-Annual Meeting, May 2011; speaker for annual meeting
- ❖ Christian Theological Seminary-Chapel service, March 2011 and 2015; preacher
- ❖ Christian Theological Seminary- *Introduction to Christian Ministry* classes;
  - Guest Lecturer- Fall and Spring Semesters, 2010-2011

- Guest Lecturer- Spring Semester, 2010
- ❖ Greenwood First Baptist Church- Women's Luncheon, May 2010; keynote speaker
- ❖ American Baptist Churches of Greater Indianapolis- Annual Meeting, May 2007; preacher
- ❖ American Baptist Churches Women's Ministry Gathering-Spring Training (Indianapolis), April 2006; keynote speaker
- ❖ American Baptist Churches/USA Biennial-Preaching Workshop, June 1997; workshop preacher

### Mentoring/Supervision

- ❖ Spiritual Director 2013-current
- ❖ Christian Theological Seminary Lilly Student Clergy Peer Group Project-Mentor, 2010-present. Participate with seven recent graduates, serving as mentor/experienced pastor within the group: a three year process.
- ❖ Site Supervisor of SCOFÉ Student at Garfield Park Baptist Church, August 2010-May 2011
- ❖ Mentor for Marion Wesleyan Seminary student, Spring semester 2011. Sought out by neighboring church pastor for six mentoring sessions as required for spiritual formation course.
- ❖ Mentor for Community Church of Greenwood seminary student, 2008-2011. Ongoing mentoring relationship with female student from Trinity Evangelical Seminary to provide the perspective of a female clergy.

### Workshop/Retreat Leadership

- ❖ Rhythms of the Spirit Retreats-facilitator and spiritual direction, 2015, 2017, 2018, 2019 (D.C.; Rhode Island, Connecticut, WI)
- ❖ Challenging Conversations Workshop-Central Christian Church, 2019

- ❖ Prayer Retreat-Indianapolis First Baptist, 2018
- ❖ Women's Retreat-Greenwood First Baptist, 2013
- ❖ Garfield Park Baptist Church Annual Fall Retreat, 1999-present; retreat planning and presenter for the following retreat themes:
  - *Living Simply or Simply Living?*
  - *Faced with Grace*
  - *Lectio Divina*
  - *The Spiritual Practice of the Labyrinth*
  - *Transitions of Life*; based on Transitions by Bridges
  - *Joy in Life*
  - *The Church as Family*
  - *Retreat, Reflect, Re-charge, Return* based upon Luke 24:13-35
  - *Mission Possible-Agents in Christ's Kingdom*
  - *The Journey of Light-Spiritual Biography*
  - *Going Nuts for Jesus-Experiential Worship Centers*
  - *Personality and Prayer* (Myers-Briggs)
  - *Centered in Christ*
  - *Dancing Through the Life of Jesus*
  - *Tie Another Knot and Hold On-God's Provision in Life's Difficulties*
- ❖ Garfield Park Baptist Church, 1999-present; Lenten Workshops and Equipping Sessions
  - *The Uprising of the Soul* based on book by Erwin McManus
  - *Silence and Solitude*, 2010
  - *Care of the Soul*, 2010
  - *Spiritual Friends*, 2009
  - *Centering Prayer/Breath Prayer*, 2009
  - *Praying in Color* (based on Praying In Color by Sylvia MacBeth), 2009
  - *The Practice of Paying Attention*, 2009
  - *Journey Inward/Journey Outward* (based on Elizabeth O'Conner's book by the same title), 2007
  - *Taize Worship practices*, 2004
- ❖ Certified Leadership Institute of the American Baptist Churches of Greater Indianapolis and Indiana/Kentucky, 2005; *Clergy Self-Care* workshop leader

- ❖ American Baptist Women of Indiana Spring Conference, 2004; *Leadership* workshop leader
- ❖ American Baptist Women's Officer's Training Retreat, 2002; *Women's Spirituality* workshop leader
- ❖ Middler/Junior Camp at Indiana Baptist Assembly, 1997-1999; Camp Director serving one week each year
- ❖ The Fellowship of American Baptist Musicians Annual Conference, 1987-1993; Counselor/Chaplain for Youth portion of the conference
- ❖ Judson curriculum training workshops, 1985-1987; Curriculum trainer

### Publications

- ❖ Garfield Park Baptist Church, 1999-present; monthly newsletter article
- ❖ Board Chair article for the American Baptist Foundation Annual Report, 2010-2011
- ❖ Devotions for Advent published by American Baptist Women in Ministry of IN/KY, 2006
- ❖ Advent Devotion published by American Baptist Minister's Council, 2005
- ❖ "Luke 10:25-37" in Celebrating Justice and Liberation, McKiernan-Allen, Linda, editor, Chalice Press, 2003

### Grants

- ❖ *Clergy Renewal Leave* grant from Lilly Endowment, 2007; renewal leave focused on human trafficking and Celtic spirituality
- ❖ *Sacred Spaces* grant from the Center for Congregations in Indianapolis (awarded to Garfield Park Baptist Church), 2004
- ❖ *Computer, Technology, and Ministry* grant from the Center for Congregations in Indianapolis (awarded to Garfield Park Baptist Church), 2000
- ❖ *Summer Enrichment* grant from Lilly Endowment and the Indianapolis Foundation (awarded to Covenant Baptist Church), 1997-1999

## Continuing Education Units and Other Trainings in Spiritual Development

- ❖ *Holy Currencies*-Kalidescope Institute, event in Indianapolis, 2015
- ❖ Note: 3 CEU's received for each year as a SCOFE Supervisor, 1999-present
- ❖ Women In Church Leadership; four training events through the Indianapolis Center for Congregations, 2014
- ❖ *Rhythms of the Spirit Conference on Contemplative Practices*, 2014
- ❖ *Creative Worship* workshop, 2014
- ❖ *Walking the Labyrinth* training by Veriditas, February 2011
- ❖ *Renovare and Spirituality* training through Center for Congregations, March 2009
- ❖ *Praying In Color* with Slyvia MacBeth through Center for Congregations, October 2008
- ❖ *Wait on the Lord* Conference through American Baptist Churches/USA Minister's Council, April 2006
- ❖ *Seeing Beyond the Storm* through American Baptist Minister's Council of IN/KY, October 2005
- ❖ *Congregational Transformation and Spiritual Vitality* led by James Furr and Jim Herrington, through the Center for Congregations, 2004-2007; a three year intensive process for pastors and a team of church leaders; including a three year clergy peer group process
- ❖ *Re-Energizing Your Preaching by Listening to Listeners* through American Baptist Minister's Council of IN/KY, November 2004
- ❖ *The Inviting Church: Ministering to New Members* through Alban Institute, May 2002
- ❖ *New Church/New Century* Institute- a six part/two year process through the American Baptist Churches of Wisconsin, June 2000- November 2001
- ❖ *Conference on Ministry with the Aging VIII* through Baptist Homes of Indiana, May 2001
- ❖ *Legal Issues for Pastors* through American Baptist Churches IN/KY, May 2000

- ❖ *Conference on Ministry with Aging* through Baptist Homes of Indiana, May 1998
- ❖ *Project Hope* Conference through Greenlake Conference Center, April 1997
- ❖ *Clergy Mis-conduct Prevention Training* through American Baptist Churches of Indiana and Greater Indianapolis, May 1997
- ❖ *American Baptist National Women's Ministerial Leadership Conference*, September 1996
- ❖ *Building and Leading a Magnetic Church* through Net Results Resource Center, February 1994
- ❖ *American Baptist Seminarians Conference*, October 1992

### Personal Spiritual Formation

- ❖ Spiritual Direction, 2010-present; meet monthly with spiritual director
- ❖ Extensive reading related to spirituality, spiritual formation, clergy self-care, and changing dynamics of the Church; see attached bibliography
- ❖ Clergy Support Group, 2002- present; participants share ministry issues and discuss current books related to changing nature of ministry and clergy self-care
- ❖ Annual personal ministry planning and renewal retreat, 2009-present; devote one week at monastery in prayer and discernment for ministerial leadership
- ❖ Clergy Prayer Group, 1994-present; trusted colleagues supporting each other through prayer
- ❖ American Baptist Churches of Greater Indianapolis Minister's Fellowship, 1995-2008; monthly meetings

# **BRETT BARRETT THOMAS**

54 Monument Circle, Fourth Floor  
Indianapolis, IN 46204  
[bthomas@humesmith.com](mailto:bthomas@humesmith.com)  
317-460-0256

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## **BAR ADMISSION**

Admitted to practice law in the state of Indiana.

## **EDUCATION**

SOUTHERN ILLINOIS UNIVERSITY, J.D., May 2015

INDIANA UNIVERSITY PURDUE UNIVERSITY INDIANAPOLIS, B.S. Physical Education – Sports Management, August 2010

## **EXPERIENCE**

### **Hume Smith Geddes Green & Simmons, LLP**

*Associate Attorney* March 2019 – Current

Provide individual, business, and insurance clients with representation in a wide variety of personal and business legal needs.

### **Marion County Public Defender Agency, Indianapolis, IN**

*Attorney* October 2015 - March 2019

Represented indigent clients after court appointment. Defended clients with criminal charges from misdemeanors to level two felonies. Have done fourteen juries, numerous bench trials and suppression hearings. Worked closely with social workers in order to help clients with needs ranging from mental health treatment, drug rehabilitation, and housing.

### **Marion County Public Defender Agency, Indianapolis, IN**

*Certified Legal Intern* May 2014 – September 2014 and May 2015-October 2015

Represented indigent clients charged with misdemeanors after court appointment. Under the supervision of a licensed attorney, represented clients at bench trials, pre-trial hearings, suppression hearings, and post-trial hearings such as probation and community corrections violations.

### **Marion County Civil Court Clerk, Indianapolis, IN**

*Legal Intern* June 2013- September 2013

Worked closely with Judges Heather Welch and Timothy Oakes. Was given tasks by both judges including reviewing pleadings to the court and researching the issues, cite checking the attorneys in briefs submitted to the court, and drafting briefs advising the judges on the issues researched.

### **Marion County Clerk's Office, Indianapolis, IN**

*Criminal Court Clerk* May 2011- September 2012

First point of contact for the public and attorneys practicing in the Court assigned. Received documents filed with the court, delivered pleadings to the judge for ruling, and updated the information related to cases on the computer system.

## **ACTIVITIES**

### **Indianapolis Bar Association**

*Member*, October 2015-Current

*Criminal Justice Section Board*, December 2017-Current

*Bench Bar 2019 Planning Committee*

*Bench Bar 2018 Planning Committee*

*Bar Leaders Series, Class 16*

*Gold Outing Committee, November 2018-Current*

**National Institute for Trial Advocacy Training (NITA)**

Attended a week long extensive trial advocacy training under the supervision of Chief Appellate Court Judge Nancy H. Vaidik.

**Brett Barrett Thomas**  
**Page 2**

## Attachment 2

# Statement of Economic Interest and Conflict of Interest Forms

Exhibit C

**Statement of Economic Interest & Conflict of Interest Form**

*(Must be completed individually by each Board member)*

**Background**

1. Name of charter school on whose governing board you serve: Thomas Carr Howe Community High School

2. Your full name: David Mikelsons

3. Your spouse's full name:

N/A

**Employment**

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

My resume is attached.

My resume is not attached. Please provide a narrative response:

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):

INDIANAPOLIS URBAN LEAGUE

6. List the name(s) of your spouse's employer(s) and the nature of the business:

N/A

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

No.

Yes. Please provide the name and describe the nature of the business:

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

No.

Yes. Please provide the name and describe the nature of the business:

9. Are you and/or your spouse an officer or director of a corporation?

No.

Yes. Please provide the name and describe the nature of the business:

**Conflict of Interest Disclosures**

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

No.

Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?
- No.
- Yes. Please identify the business and indicate the nature of the relationship:
3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?
- No.
- Yes. Please describe the nature of the business that is being, or will be, conducted:
4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?
- Not applicable.
- No.
- Yes. Please describe the relationship:
5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?
- Not applicable.
- No.
- Yes. Please provide a description of the interest:
6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?
- Not applicable.
- No.
- Yes. Please describe the nature of the business:
7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?
- No.
- Yes. Please describe the relationship and the nature of the partnership:
8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?
- No.
- Yes. Please describe the nature of the potential conflict(s):

10. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

Name and Title

David Mikelsons Manager of Project Ready

Signature



Date

2/26/19

**Statement of Economic Interest & Conflict of Interest Form**  
*(Must be completed individually by each Board member)*

**Background**

1. Name of charter school on whose governing board you serve: Thomas Carr Howe Community School
2. Your full name: Derek Redelman
3. Your spouse's full name: Shellie Redelman

**Employment**

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).  
 My resume is attached.  
 My resume is not attached. Please provide a narrative response:
5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"): Self-employed: Redelman Associates
6. List the name(s) of your spouse's employer(s) and the nature of the business: N/A (former teacher)
7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?  
 No.  
 Yes. Please provide the name and describe the nature of the business: Public policy research, consulting & advocacy
8. Are you and/or your spouse a member of a partnership and/or limited liability company?  
 No.  
 Yes. Please provide the name and describe the nature of the business:
9. Are you and/or your spouse an officer or director of a corporation?  
 No.  
 Yes. Please provide the name and describe the nature of the business:

**Conflict of Interest Disclosures**

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?  
 No.  
 Yes. Please identify the board member and indicate the nature of the relationship:
2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?  
 No.  
 Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?
  - No.
  - Yes. Please describe the nature of the business that is being, or will be, conducted:
  
4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?
  - Not applicable.
  - No.
  - Yes. Please describe the relationship:
  
5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?
  - Not applicable.
  - No.
  - Yes. Please provide a description of the interest:
  
6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?
  - Not applicable.
  - No.
  - Yes. Please describe the nature of the business:
  
7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?
  - No.
  - Yes. Please describe the relationship and the nature of the partnership:
  
8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?
  - No.
  - Yes. Please describe the nature of the potential conflict(s):
  
10. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?
  - Yes.
  - Don't Know/ Unsure.

|   |  |
|---|--|
| I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect. |  |
| <b><u>Name and Title</u></b><br><b>Derek Redelman, Board Member</b>   | <b><u>Date</u></b><br><b>2/24/2019</b> |
| <b><u>Signature</u></b><br>  |  |

Exhibit C

**Statement of Economic Interest & Conflict of Interest Form**

*(Must be completed individually by each Board member)*

**Background**

1. Name of charter school on whose governing board you serve: Thomas Carr Howe Community High School
  
2. Your full name: Jacob Medlong
  
3. Your spouse's full name: Heidi Medlong

**Employment**

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).  
 My resume is attached.  
 My resume is not attached. Please provide a narrative response:
  
5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"): Kids In Discipleship and Service Inc (KIDS Inc) is my employer. KIDS Inc is a faith-based, non-profit youth outreach.
  
6. List the name(s) of your spouse's employer(s) and the nature of the business: N/A
  
7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?  
 No.  
 Yes. Please provide the name and describe the nature of the business:
  
8. Are you and/or your spouse a member of a partnership and/or limited liability company?  
 No.  
 Yes. Please provide the name and describe the nature of the business:
  
9. Are you and/or your spouse an officer or director of a corporation?  
 No.  
 Yes. Please provide the name and describe the nature of the business:

**Conflict of Interest Disclosures**

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?  
 No.  
 Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?
  - No.
  - Yes. Please identify the business and indicate the nature of the relationship:
  
3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?
  - No.
  - Yes. Please describe the nature of the business that is being, or will be, conducted:
  
4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?
  - Not applicable.
  - No.
  - Yes. Please describe the relationship:
  
5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?
  - Not applicable.
  - No.
  - Yes. Please provide a description of the interest:
  
6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?
  - Not applicable.
  - No.
  - Yes. Please describe the nature of the business:
  
7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?
  - No.
  - Yes. Please describe the relationship and the nature of the partnership:
  
8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?
  - No.
  - Yes. Please describe the nature of the potential conflict(s):

10. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

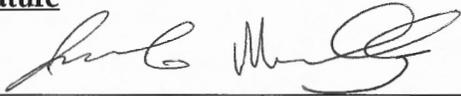
Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

**Name and Title**

Jacob Medlong

**Signature**



**Date**

2/27/2019

Exhibit C

**Statement of Economic Interest & Conflict of Interest Form**

*(Must be completed individually by each Board member)*

**Background**

1. Name of charter school on whose governing board you serve: Thomas Carr Howe Community School
2. Your full name: Kimberly A. Preston
3. Your spouse's full name: N/A

**Employment**

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).  
 My resume is attached.  
 My resume is not attached. Please provide a narrative response:
5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"): The Foundation for Excellence in Education is a national 501(c)(3) nonprofit organization focused on state education reform.
6. List the name(s) of your spouse's employer(s) and the nature of the business: N/A
7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?  
 No.  
 Yes. Please provide the name and describe the nature of the business:
8. Are you and/or your spouse a member of a partnership and/or limited liability company?  
 No.  
 Yes. Please provide the name and describe the nature of the business:
9. Are you and/or your spouse an officer or director of a corporation?  
 No.  
 Yes. Please provide the name and describe the nature of the business:

**Conflict of Interest Disclosures**

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?  
 No.

- Yes. Please identify the board member and indicate the nature of the relationship:
2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?
- No.
- Yes. Please identify the business and indicate the nature of the relationship:
3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?
- No.
- Yes. Please describe the nature of the business that is being, or will be, conducted:
4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?
- Not applicable.
- No.
- Yes. Please describe the relationship:
5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?
- Not applicable.
- No.
- Yes. Please provide a description of the interest:
6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?
- Not applicable.
- No.
- Yes. Please describe the nature of the business:
7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?
- No.
- Yes. Please describe the relationship and the nature of the partnership:
8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

- No.  
 Yes. Please describe the nature of the potential conflict(s):

10. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

- Yes.  
 Don't Know/ Unsure.

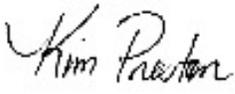
|   |   |
|---|---|
| I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.                         |   |
| <p><b><u>Name and Title</u></b><br/>         Kim Preston, Director of Development, Foundation for Excellence in Education</p> <p><b><u>Signature</u></b><br/> </p> | <p><b><u>Date</u></b><br/><br/>         2/26/19</p> |

Exhibit C

**Statement of Economic Interest & Conflict of Interest Form**

*(Must be completed individually by each Board member)*

**Background**

1. Name of charter school on whose governing board you serve: *Thomas Carr Howe H.S.*
2. Your full name: *SARA N. DRAKE*
3. Your spouse's full name:

**Employment**

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).  
 My resume is attached.  
 My resume is not attached. Please provide a narrative response:
5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"): *Adult & child Health*
6. List the name(s) of your spouse's employer(s) and the nature of the business:
7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?  
 No.  
 Yes. Please provide the name and describe the nature of the business:
8. Are you and/or your spouse a member of a partnership and/or limited liability company?  
 No.  
 Yes. Please provide the name and describe the nature of the business:
9. Are you and/or your spouse an officer or director of a corporation?  
 No.  
 Yes. Please provide the name and describe the nature of the business:

**Conflict of Interest Disclosures**

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?  
 No.  
 Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?  
 No.  
 Yes. Please identify the business and indicate the nature of the relationship:
3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?  
 No.  
 Yes. Please describe the nature of the business that is being, or will be, conducted:
4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?  
 Not applicable.  
 No.  
 Yes. Please describe the relationship:
5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?  
 Not applicable.  
 No.  
 Yes. Please provide a description of the interest:
6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?  
 Not applicable.  
 No.  
 Yes. Please describe the nature of the business:
7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?  
 No.  
 Yes. Please describe the relationship and the nature of the partnership:
8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?  
 No.  
 Yes. Please describe the nature of the potential conflict(s):

10. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

Name and Title

SARA H. DRAKE

Date

Signature

SARA H. DRAKE

3/14/19

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

Background

1. Name of charter school on whose governing board you serve: *Howe High School*

2. Your full name: *Judith K Fackenthal*

3. Your spouse's full name: *Fred M. Fackenthal*

Employment

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

- My resume is attached. *Provided previously*  
 My resume is not attached. Please provide a narrative response:

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"): *Carfield Park Baptist Church, a church*

6. List the name(s) of your spouse's employer(s) and the nature of the business:

*American Structurepoint - Engineering/Architecture firm*

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

- No.  
 Yes. Please provide the name and describe the nature of the business:

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

- No.  
 Yes. Please provide the name and describe the nature of the business:

9. Are you and/or your spouse an officer or director of a corporation?

- No.  
 Yes. Please provide the name and describe the nature of the business:

Conflict of Interest Disclosures

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

- No.  
 Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?

- No.  
 Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?

- No.  
 Yes. Please describe the nature of the business that is being, or will be, conducted:

4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?

- Not applicable.  
 No.  
 Yes. Please describe the relationship:

5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?

- Not applicable.  
 No.  
 Yes. Please provide a description of the interest:

6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?

- Not applicable.  
 No.  
 Yes. Please describe the nature of the business:

7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?

- No.  
 Yes. Please describe the relationship and the nature of the partnership: *I serve on SoIndy Q.A. Adv. Bd*

8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

- No.  
 Yes. Please describe the nature of the potential conflict(s):

10. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

- Yes.
- Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

|  |  |
|--|--|
| <p><b><u>Name and Title</u></b><br/>Reverend Judith K Fackenthal</p> <p><b><u>Signature</u></b><br/>Rev. Judith K Fackenthal</p> | <p><b><u>Date</u></b><br/>March 18, 2019</p> |
|--|--|

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

**Background**

1. Name of charter school on whose governing board you serve:  
TC HOWE COMMUNITY HIGH SCHOOL
2. Your full name: BRETT BARRETT THOMAS
3. Your spouse's full name: N/A

**Employment**

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).  
 My resume is attached.  
 My resume is not attached. Please provide a narrative response:
5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):  
HUME SMITH GEDDES GREEN & SIMMONS, LLP
6. List the name(s) of your spouse's employer(s) and the nature of the business:  
N/A
7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?  
 No.  
 Yes. Please provide the name and describe the nature of the business:
8. Are you and/or your spouse a member of a partnership and/or limited liability company?  
 No.  
 Yes. Please provide the name and describe the nature of the business:
9. Are you and/or your spouse an officer or director of a corporation?  
 No.  
 Yes. Please provide the name and describe the nature of the business:

**Conflict of Interest Disclosures**

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?  
 No.  
 Yes. Please identify the board member and indicate the nature of the relationship:

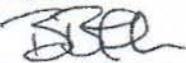
2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?
- No.
- Yes. Please identify the business and indicate the nature of the relationship:
3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?
- No.
- Yes. Please describe the nature of the business that is being, or will be, conducted:
4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?
- Not applicable.
- No.
- Yes. Please describe the relationship:
5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?
- Not applicable.
- No.
- Yes. Please provide a description of the interest:
6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?
- Not applicable.
- No.
- Yes. Please describe the nature of the business:
7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?
- No.
- Yes. Please describe the relationship and the nature of the partnership:
8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?
- No.
- Yes. Please describe the nature of the potential conflict(s):

10. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

| <u>Name and Title</u>  | <u>Date</u> |
|--|-------------|
| <u>Signature</u><br>Brett B. Thomas<br> | 3/13/19     |

Attachment 3  
Board Minutes

# MEETING MINUTES

**Name of Foundation:** ReThink Forward Indiana, Inc.

**Board Meeting:** March 12, 2019

*The minutes of Sunshine Law meetings need not be verbatim transcripts of the meeting. These minutes are a brief summary of the events of the meeting.*

| <b>Date:</b>   | <b>Start</b> | <b>End</b> | <b>Next Meeting:</b>  | <b>Next time:</b> | <b>Prepared by:</b> |
|--|--------------|------------|---|-------------------|---------------------|
| March 12, 2019   | 5:07pm       | 6:45pm     | March 18, 2019  | 3:30pm            | R. Weaver           |
| <b>Meeting Location:</b>   |              |            |   |                   |                     |
| 4900 Julian Avenue, Indianapolis, IN 46201   |              |            |   |                   |                     |
| <b>Attended by:</b>  |              |            |   |                   |                     |
| <b>Board Members:</b><br>Jake Medlong<br>Derek Redelman<br>Kim Preston<br>David Mickelson<br>Judith Fackenthal |              |            | <b>Other Attendees:</b><br>Rita Weaver, Board Governance Manager, NEI, Inc.<br>Eric Lewis, State Director<br>Bonnie Hester, State Deputy Director |                   |                     |

## **CALL TO ORDER**

Pursuant to public notice, the meeting commenced at 5:07pm with a Call to Order. Roll call was taken and quorum established.

## **I. ADMINISTRATIVE**

### Board Member Orientation

- Eric Lewis presented an orientation to the board as to the responsibilities of the board as well as the responsibilities of NEI. All questions were answered by Mr. Lewis. In attendance as Directors for the board are: Derek Redelman, Kim Preston, David Mickelson, Judith Fackenthal, and Jake Medlong.

### Bylaws and Directors Approval

- Rita Weaver reviewed the draft Bylaws with the Board and the board discussed officers' appointments. The board discussed the importance of the various titles and the importance of capacity of the various officers.

**MOTION: A motion was made by Judy Fackenthal and seconded by Kim Preston to appoint Derek Redelman as the Chairman of the ReThink Forward Indiana Board, Inc. Motion passed unanimously. (5-0)**

- Derek Redelman called for nominations for the Vice-Chairman of ReThink Forward Indiana, Inc.

**MOTION: A motion was made by Judy Fackenthal and seconded by Derek Redelman to appoint as Kim Preston as Vice-Chair and Secretary of ReThink Forward Indiana, Inc. Motion passed unanimously.**

- Derek Redelman called for nominations of Treasurer.

**MOTION: A motion was made by Judy Fackenthal and seconded by Kim Present to appoint Jake Medlong as the Treasurer of ReThink Forward, Inc. Motion passed unanimously.**

Approval of Filing Articles in Indiana

- Rita Weaver reviewed the process for filing Articles of Incorporation as a Non-Profit entity in the state of Indiana. Once the certifications have been received the final version of said certification and the Articles of Incorporation will be sent to the Board.

**MOTION: A motion was made by Kim Preston and seconded by Judy Fackenthal to accept and affirm the filing of Articles of Incorporation in Indiana for the ReThink Forward Indiana, Inc. board, as presented. Motion passed unanimously.**

Approval of Retaining Tripp Scott and NEI for purposes of filing 501c3 application with the IRS

- Eric Lewis and Rita Weaver discussed the process for filing a 501c3 application with the IRS and the board discussed. All questions were answered by Mr. Lewis and Mrs. Weaver. The final application will be presented to the board once filed.

**MOTION: A motion was made by and seconded by to accept and affirm retaining Tripp Scott and NEI to draft for the purposes of filing 501c3 application with the IRS, as presented. Motion passed unanimously.**

**II. NEW BUSINESS**

Approve NEI to draft 501c3 Application

- The board discussed and included in prior motion.

Approve Application Submission to ICSB

- The board reviewed the draft application for the following schools: [insert schools here] The board discussed and will review the draft this week and reconvene on Monday, March 18<sup>th</sup> at 330pm to approve the final version of the charter application for the above-mentioned schools.

**MOTION: A motion was made by Judy Fackenthal and seconded by Jake Medlong to approve NEI filing the charter application to ICSB on behalf of the board, and further outlined the draft process and to reconvene on Monday, March 18<sup>th</sup> at 330p to finalize final application. Motion passed unanimously.**

**III. OLD BUSINESS**

- There was no Old Business.

**IV. PUBLIC COMMENTS**

- Rita Weaver advised the board on Sunshine Law and the various marketing initiatives that NEI will be implementing on behalf of the board.

**V. ADJOURNMENT**

**MOTION: Motion was made by Judy Fackenthal and seconded by Kim Preston to adjourn the ReThink Forward Indiana, Inc. March 12<sup>th</sup>, 2019 board meeting. Motion passed unanimously.**

---

Kim Preston, Vice Chair and Secretary

Date: \_\_\_\_\_

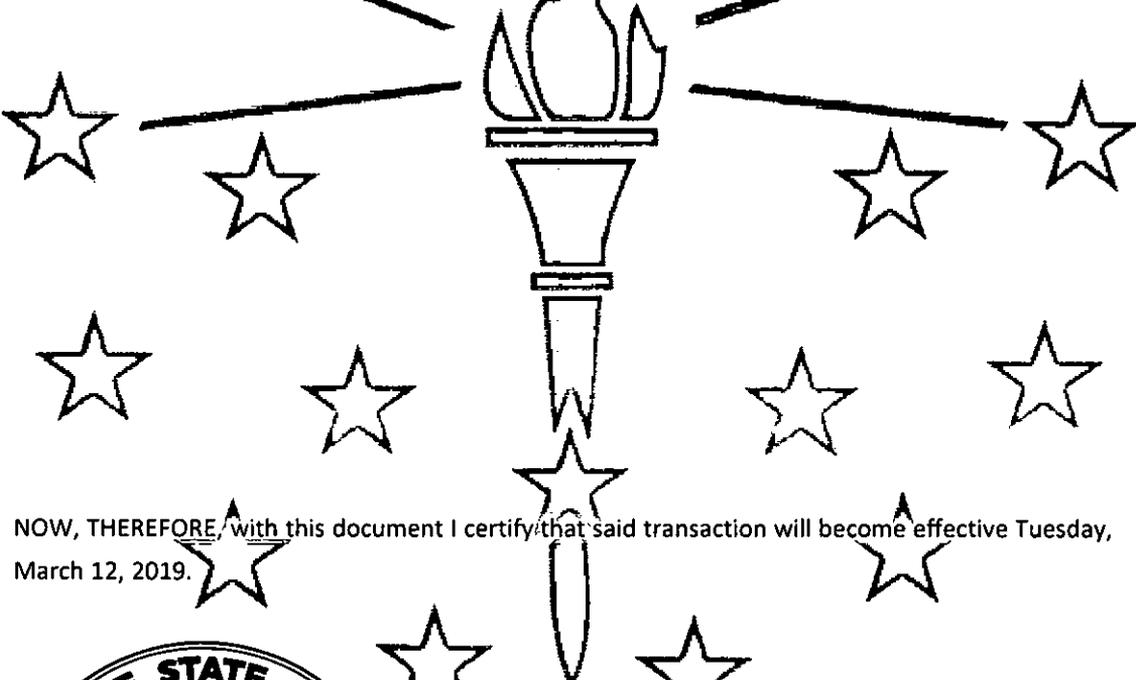
Attachment 4  
Governance Documents

State of Indiana  
Office of the Secretary of State

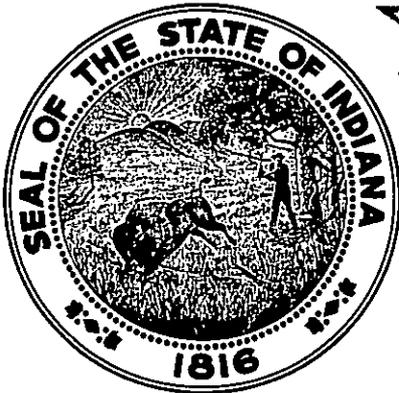
Certificate of Incorporation

of  
**RETHINK FORWARD INDIANA, INC.**

I, CONNIE LAWSON, Secretary of State, hereby certify that Articles of Incorporation of the above Domestic Nonprofit Corporation have been presented to me at my office, accompanied by the fees prescribed by law and that the documentation presented conforms to law as prescribed by the provisions of the Indiana Code.



NOW, THEREFORE, with this document I certify that said transaction will become effective Tuesday, March 12, 2019.



In Witness Whereof, I have caused to be affixed my signature and the seal of the State of Indiana, at the City of Indianapolis, March 13, 2019

*Connie Lawson*

CONNIE LAWSON  
SECRETARY OF STATE

201903121310223 / 8214549

To ensure the certificate's validity, go to <https://bsd.sos.in.gov/PublicBusinessSearch>



**ARTICLES OF INCORPORATION  
DOMESTIC NONPROFIT CORPORATION**  
State Form 4162 (R17 / 3-18)

INDIANA SECRETARY OF STATE  
**RECEIVED**  
2019 MAR 12 AM 10:07

Approved and Filed  
201903121310223/8214649  
Filing Date: 03/13/2019  
Effective :03/12/2019 10:41  
CONNIE LAWSON  
Indiana Secretary of State

Indiana Code 23-17-3-2  
23-0.5-9-14

FILING FEE: \$50.00

**ARTICLES OF INCORPORATION**

The undersigned, desiring to form a Corporation (hereinafter referred to as the "Corporation") pursuant to the provisions of the Indiana Nonprofit Corporation Act of 1991 (hereinafter referred to as the "Act"), execute the following Articles of Incorporation:

**ARTICLE I - NAME AND PRINCIPAL OFFICE**

Name of the Corporation: *(The name must include the word Corporation, Incorporated, Limited, Company or an abbreviation thereof.)*  
**RETHINK FORWARD INDIANA, INC.**

Address of Principal Office *(number and street)*  
800 Corporate Drive, Suite 124

City  
Ft. Lauderdale

State  
FL

ZIP code  
33334

**ARTICLE II - STATEMENT OF PURPOSE**

The purposes for which the Corporation is formed are:  
*Specific language is required by the IRS in this article in order to be approved for 501(c) status. Contact the IRS for assistance.*  
The purposes for which the Corporation is organized is for transacting any and all lawful business for which corporations may be incorporated under the Indiana Not for Profit Corporation Act and to distribute the whole or any part of the income therefrom and the principal thereof exclusively for charitable, religious, scientific, literary or educational purposes, either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code and Regulations issued pursuant thereto, as they now exist or as they may hereafter be amended.

**ARTICLE III - TYPE OF CORPORATION (CHECK ONLY ONE.)**

The Corporation is a:

- public benefit corporation, which is organized for a public or charitable purpose;
- religious corporation, which is organized primarily or exclusively for religious purposes; or
- mutual benefit corporation *(all others)*.

**ARTICLE IV - REGISTERED AGENT INFORMATION**

To determine if your Registered Agent is a Commercial Registered Agent (CRA), go to [INBIZ.in.gov](http://INBIZ.in.gov).

Provide either commercial registered agent or noncommercial registered agent information below.

Commercial registered agent      Name of registered agent *(Do not provide address.)*  
C T Corporation System

OR

Noncommercial registered agent      Name of registered agent

Address *(number and street)* *(A P.O. Box is not acceptable unless accompanied by a Rural Route number.)*

City

State  
IN

ZIP code

E-mail address of the registered agent at which the registered agent will accept electronic service of process

By checking the box, the Signator(s) represent(s) that the Registered Agent named in these Articles of Incorporation has consented to the appointment of Registered Agent.

**ARTICLE V - MEMBERSHIP**

Indicate if Corporation will have members.       Yes       No members

**ARTICLE VI - INCORPORATOR(S) (INCORPORATORS MAY NEVER BE AMENDED.)**

The names and addresses of the officers of the Incorporators is/are as follows:

| Name               | Number and Street or Building | City           | State | ZIP code |
|--------------------|-------------------------------|----------------|-------|----------|
| Edward J. Pozzuoli | 110 SE 6 Street, Suite 1500   | Ft. Lauderdale | FL    | 33301    |
|                    |                               |                |       |          |
|                    |                               |                |       |          |

**ARTICLE VII – DISTRIBUTION OF ASSETS ON DISSOLUTION OR FINAL LIQUIDATION**

*Please note: This section must be completed.*

Refer to Indiana Code 23-17-22-5 for permitted activities following Dissolution:

*Specific language is required by the IRS in this article in order to be approved for 501(c) status. Contact the IRS for assistance.*

The purposes for which the Corporation is organized is for transacting any and all lawful business for which corporations may be incorporated under the Indiana Not for Profit Corporation Act and to distribute the whole or any part of the income therefrom and the principal thereof exclusively for charitable, religious, scientific, literary or educational purposes, either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code and Regulations issued pursuant thereto, as they now exist or as they may hereafter be amended.

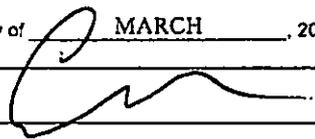
**SIGNATURE**

In witness whereof, the undersigned \_\_\_\_\_ **AUTHORIZED AGENT** \_\_\_\_\_ of said Corporation  
(Title)

executes this document, and verifies subject to penalties of perjury, that the facts contained herein are true,

this 11 day of MARCH, 20 19.

Signature



Printed name

Edward J. Pozzuoli

**BYLAWS OF  
RETHINK FORWARD INDIANA, INC.,  
An Indiana Non-Profit Corporation)**

**ARTICLE 1  
NAME**

**Section 1.1. Name.** The name of the Corporation shall be RETHINK FORWARD INDIANA, INC., an Indiana Non-Profit Corporation (the "Corporation").

**ARTICLE 2  
ORGANIZATION**

**Section 2.1. Statement of Purposes.** The purposes of this Corporation, as expressed in its Articles of Incorporation, shall be for the purpose of transacting any or all lawful business for which corporations may be incorporated under the Indiana Nonprofit Corporation Act of 1991 and to operate within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986. The specific purpose of the Corporation is to assist with the establishment, development and administration of charter schools, and to make grants to further elementary, middle and high school educational programs and facilities and other capital needs for such schools providing elementary, middle and high school educational programs through charter schools, and other charitable activities and to distribute the whole or any part of the income therefrom and the principal thereof exclusively for such purposes, either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code and the Regulations issued pursuant thereto (the "Code"), as they now exist or as they may hereafter be amended.

**Section 2.2. Dissolution.** In the event of the dissolution of the Corporation, the Board of Directors ("Board") shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the remaining assets of the Corporation, exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes, as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Law), as the Board shall determine. Any of such assets not so disposed of shall be disposed of by the court having proper jurisdiction in the county where the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

**ARTICLE 3  
MEMBERSHIP**

**Section 3.1. Members.** This Corporation is a non-profit, non-stock corporation, and shall have no members other than its Board of Directors serving from time to time.

**ARTICLE 4  
BOARD OF DIRECTORS**

**Section 4.1. Management.** All powers of the Corporation shall be exercised by and under the authority of the Board, and the property, business and affairs of the Corporation shall be managed under the Board's direction. Except as specifically set forth to the contrary herein, the Board may not take any action, except upon the approval thereof by the affirmative vote of a majority of the Board present at a

meeting at which a quorum of at least 60% of the Directors are present. The affirmative vote of a majority of the Directors shall be necessary for all actions by the Board relating to the following:

**4.1.1.** Approval of charitable gifts, transfers, distributions, and grants by the Corporation to other entities;

**4.1.2.** Adoption of an amendment to the Articles of Incorporation or the Bylaws;

**4.1.3.** Organization of a subsidiary or affiliate by the Corporation; and

**4.1.4.** Approval of any merger, consolidation or sale or other transfer of all or a substantial part of the assets of the Corporation.

**Section 4.2. Number of Directors.** The initial Board shall consist of the Directors named in the Articles of Incorporation. The number of Directors may at any time be increased or decreased by a majority vote of the Board, but in no event shall the number of Directors be fewer than three (3). In the event of an increase in the number of Directors, the additional directorships created shall be filled in the manner prescribed herein for the Election of Directors in accordance with Section 4.4.

**Section 4.3. Nomination of Directors.** Not less than one (1) month prior to a regular meeting, the Board may appoint a nomination committee to consist of no fewer than two (2) Board members. The nomination committee will compile and submit to the Board a slate of candidates for the directorships and offices to be filled at the upcoming meeting, which slate shall be approved by the Board. If the Board does not approve of any nominee, then the nominee shall be removed from the slate, and the committee may replace the removed nominee with another nominee approved by the Board. These submissions shall be deemed to be nominations of each person named.

**Section 4.4. Election of Directors.** Directors shall be elected by the Board from a slate of nominees at any meeting when there is an expiring term.

**Section 4.5. Vacancies.** Vacancies occurring in an elected Directorship, however caused, shall be filled as soon as practicable by election in accordance with the nominating provisions of Section 4.3 and Section 4.4 hereinabove. Except for a Director elected due to the natural expiration of his predecessor's term, a Director so elected to fill a vacancy shall hold office for the remainder of his predecessor's term.

**Section 4.6. Resignation or Removal of Directors.** A Director of the Corporation may resign at any time by tendering his resignation in writing to the Corporation, which resignation shall become effective upon the date specified therein, or if no date is specified, upon receipt by the Corporation at its principal place of business. Any elected Director may be removed at any time, with or without cause, by a majority vote of the other Directors.

**Section 4.7. Compensation of Directors.** Directors will not receive compensation for services rendered in their capacities as Directors. However, nothing herein contained shall be construed to preclude any Director from receiving compensation from the Corporation for other services actually rendered or for expenses incurred for serving the Corporation as a Director or in any other capacity.

**Section 4.8. Annual Meetings of the Board.** The annual meeting of the Board shall be held without other notice than this Bylaw on the first business day of April of each year, unless the Chairman, or the Board by resolution, provide for a different time and place for the holding of such annual meetings. The annual meeting may be held at such other time and place, without other notice than such resolution.

**Section 4.9. Special Meetings.** Special meetings of the Board may be called at any time by the Chairman of the Corporation. Further, special meetings of the Board must be called by the Chairman within fourteen (14) days of receipt of a written request of any two (2) or more Directors. Written notice of special meetings shall be given to each Director not less than two (2) days prior to such meeting. The notice shall set forth the time, place and purpose of the meeting. The business to be transacted at any special meeting shall be limited to those items set forth in the notice or waiver thereof.

**Section 4.10. Regular Meetings.** The Board shall meet at least four (4) times each year, including the annual meeting, each such meeting being approximately three (3) months from the date of the previous regular or annual meeting. The Secretary shall mail notice of all regular and annual meetings to each Director at the address on file with the Secretary at least fourteen (14) days prior to a meeting, indicating the date, place and time of the meeting.

**Section 4.11. Quorum and Action of the Board.** At least sixty percent (60%) of the Directors must be present in person at a meeting to constitute a quorum for the transaction of business at such meeting. Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present shall be necessary for an action of the Board. A majority of the Directors present, whether or not a quorum exists, may adjourn any meeting of the Board to another time and place. Notice of any such adjourned meeting shall be given to the Directors who were not present at the time of adjournment.

**Section 4.12. Voting Shares of Stock.** In the event the Corporation owns shares of stock in another corporation, such shares shall be voted by the Chairman, or his designee, as authorized by a vote of the Board as set forth in Section 4.1 hereinabove.

## **ARTICLE 5** **OFFICERS**

**Section 5.1. Number.** The Corporation may have a Chairman, President, Vice President, Secretary and Treasurer, each of whom shall be elected by the Board. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board. Any two (2) or more offices may be held by the same person. Officers need not be residents of the State of Indiana or United States citizens. The failure to elect an officer shall not affect the existence of the Corporation.

**Section 5.2. Election and Term of Office.** All officers of the Corporation shall be elected by a vote of the Board as set forth in Section 5.1 hereinabove at the annual meeting of the Board. A duly elected officer shall hold office for a term of one (1) year, commencing at the close of the annual meeting, and until the election and qualification of their successors or their earlier death, resignation or removal.

**Section 5.3. Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise (including removal in the event an officer is not reelected during his term in office) shall be filled by an election by the Board as set forth in Section 5.1 for the remaining unexpired term of such office.

**Section 5.4. Resignation or Removal of officers.** An officer of the Corporation may resign at any time by tendering his resignation in writing to the Chairman or the Secretary. Resignations shall become effective upon the date specified therein or, if no date is specified, upon receipt by the Corporation. An officer of the Corporation may be removed at any time, with or without cause, at any meeting of the Board by a vote of the Board as set forth in Section 5.1 hereinabove.

**Section 5.5. Chairman.** The Chairman of the Board shall preside at all meetings of the Board and shall perform such other duties as may be assigned to him by the Board.

**Section 5.6. President.** The President shall be the principal executive officer of the Corporation and, subject to the control of the Board, shall in general supervise and control all of the business and affairs of the Corporation. He shall act as a duly authorized representative of the Board and the Corporation in all matters in which the Board has not formally designated some other person to act. He shall report as directed to the Board at each meeting. He may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board, deeds, mortgages, bonds, contracts or other instruments which the Board has authority to execute, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

**Section 5.7. Vice-President.** The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

**Section 5.8. Secretary.** The Secretary shall keep or cause to be kept all of the records of the Corporation, record or cause to be recorded the minutes of the meetings of the Board, send out or cause to be sent out all notices of meetings of the Board and all Committees, attest to the seal of the Corporation where necessary or required, and keep or cause to be kept a register of the names and addresses of each Director. The Secretary shall perform such other duties as may be prescribed by the Board.

**Section 5.9. Treasurer.** The Treasurer shall insure or cause to be insured that a true and accurate accounting of the financial transactions of the Corporation is made and that such accounting is presented to and made available to the Board. The Treasurer shall perform such other duties as may be prescribed by the Board.

**Section 5.10. Other Officers.** Other officers elected by the Board shall have such duties and responsibilities as the Board deems advisable.

**Section 5.11. Succession of Officers.** Unless otherwise directed by a vote of the Board, in the event that an officer of the Corporation has not resigned or been removed but is unable to act in such position for a period of one (1) month or more, whether due to disability or other reason, then another officer of the Corporation shall serve in that office until such officer is either removed or is able to perform his services in the following order:

**5.11.1.** The Treasurer shall perform the services of the Chairman.

**5.11.2.** The Chairman shall perform the services of the Secretary and the President.

**5.11.3.** The Secretary shall perform the services of the Treasurer.

**Section 5.12. Salaries.** Officers will not receive compensation for services rendered as officers of the Corporation. However, nothing herein contained shall be construed to preclude any officer from receiving compensation from the Corporation for other services actually rendered or for expenses incurred for serving the Corporation as an officer or in any other capacity.

## **ARTICLE 6** **COMMITTEES OF THE BOARD**

**Section 6.1. Committees of the Board.** The Board may, by resolution, establish standing committees and special committees of the Board. Unless otherwise specified by resolution of the Board

or these Bylaws, the Chairman shall annually appoint the members and the chairmen of the standing committees and shall fill vacancies on any standing committee. Appointments by the Chairman shall be made at the annual meeting of the Board. In addition, the Chairman may, if so authorized by the Board, appoint the members and chairmen of such special committees as the Board may create, which members and chairmen may include persons who are not members of the Board. All committee appointments and chairmen appointments must be approved by a vote of the Board.

**Section 6.2. Standing Committees.** Standing committees shall be created as required by resolution of the Board. The purpose, duties, number of members and reporting requirements of each standing committee shall be specified in the resolution creating the committee.

**Section 6.3. Special Committees.** Special committees shall be created as required by resolution of the Board. The purpose, duties, number of members and reporting requirements of each special committee shall be specified in the resolution creating the committee.

**Section 6.4. Committee Members' Term of Office.** Unless otherwise specified by resolution of the Board, members of each committee shall continue in office until the next annual meeting of the Board and until their successors are appointed, unless the committee of which they are members shall be sooner terminated by resolution of the Board or until their earlier death, resignation or removal as committee members.

**Section 6.5. Committee Meetings.** Meetings of any committee may be called by the chairman of such committee or upon the written request of one-third (1/3) of the committee members. The call for any meeting shall be by giving notice of such meeting which sets forth its time and place and is delivered to the residence or place of business of the committee members as listed in the Secretary's office at least two (2) days prior to such meeting. Unless otherwise provided in these Bylaws, a majority of the members of any committee shall constitute a quorum for the transaction of business. After a quorum has been established at a committee meeting, the subsequent withdrawal of committee members from the meeting so as to reduce the number of committee members present to fewer than the number required for a quorum shall not affect the validity of any action taken at the meeting. Each committee shall keep minutes of its meetings and report to the Board as necessary with recommendations.

**Section 6.6. Resignation or Removal of Committee Members.** A member of any committee may resign at any time by tendering his resignation in writing to the Chairman of the Board. The Board, by a vote, may remove, with or without cause, any member from a committee and specifically, but not by way of limitation, may remove any member from a committee for failing to attend three (3) consecutive meetings of the committee.

## **ARTICLE 7** **INDEMNIFICATION OF DIRECTORS AND OFFICERS**

**Section 7.1. Indemnification.** The Corporation shall indemnify to the fullest extent permitted by law each of its officers, Directors, whether or not then in office (and his executor, administrator and/or heirs) or any person who may have served at its request as a director or officer, of another corporation, partnership, joint venture, trust or other enterprise as well as the executor, administrator and heirs of any of them against all reasonable expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and necessarily incurred by him in connection with any threatened, pending or completed action, suit, proceeding or arbitration, whether civil or criminal, administrative or investigative (including any appeal thereof), to which he is or is threatened to be made a party because he is or was a Director, officer, employee or agent of this Corporation, or such other corporation, partnership, joint venture, trust or other enterprise. He shall have no right to reimbursement, however, in relation to matters as to which he has been adjudged liable to the Corporation

for gross negligence or willful misconduct in the performance of his duties to the Corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director, officer, employee or agent may be entitled.

**Section 7.2. Insurance.** The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VII.

## **ARTICLE 8** **CONTRACTS, CHECKS, DEPOSIT BOOKS AND RECORDS**

**Section 8.1. Contracts.** The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

**Section 8.2. Loans.** No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board, which authority may be general or confined to specific instances.

**Section 8.3. Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

**Section 8.4. Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

**Section 8.5. Gifts.** The Board may accept, on behalf of the Corporation, any contributions, gifts, bequests or devise.

**Section 8.6. Books and Records.** The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board and committees of the Board. Any books, records and minutes may be in written form or in any other form capable of being converted into written form within a reasonable time.

**Section 8.7. Financial Statements.** Not later than two (2) months after the close of each fiscal year, the Corporation shall prepare a balance sheet showing in reasonable detail the financial condition of the Corporation as of the close of its fiscal year, a profit and loss statement showing the results of the operations of the Corporation during its fiscal year, and any other financial statements as may be required by a resolution of the Board. The balance sheets and profit and loss statements shall be filed in the principal office of the Corporation, shall be kept for at least five (5) years, and shall be subject to inspection during business hours by any Board member.

## **ARTICLE 9** **CERTIFICATES FOR MEMBERS AND THEIR TRANSFER**

**Section 9.1. Certificates for Members.** The Board shall not initially issue Certificates of Membership. The Board may elect to provide for the issuance of certificates evidencing membership in

the Corporation. The form of such certificates shall be determined by the Board. The certificates will be signed by the President or a Vice President and by the Secretary or an Assistant Secretary. The certificates shall be sealed with the corporate seal and shall be separately numbered. The name and address of each member and the date of issuance of the certificates shall be recorded in the corporate records. If a certificate is lost, mutilated or destroyed, it may be reissued in the manner determined by the Board. The certificates shall be non-transferable.

## **ARTICLE 10** **FISCAL YEAR**

**Section 10.1. Fiscal Year.** The fiscal year of the Corporation shall end on June 30th of each year.

## **ARTICLE 11** **CORPORATE SEAL**

**Section 11.1. Corporate Seal.** The Board shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Corporation and the state of incorporation and the words "Corporate Seal".

## **ARTICLE 12** **NOTICE**

**Section 12.1. General.** Whenever, under the provisions of any statute, the Articles of Incorporation or these Bylaws, notice is required to be given to any Director or officer, it shall not be construed to require personal notice; rather, such notice may be given, unless otherwise required by these Bylaws, either personally or sent by first class mail, by e-mail or facsimile (or similar electronic means) or by a nationally recognized overnight courier, charges prepaid, addressed to such Director or officer at his address as the same appears in the records of the Corporation; and three (3) days after the same shall be so mailed or delivered shall be deemed to be the time of the giving of such notice.

**Section 12.2. Waiver.** Whenever by law, the Articles of Incorporation or these Bylaws notice is required or permitted to be given to any Director or officer, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted and the purpose of any special meeting of the Board shall be specified in any written waiver of notice thereof.

## **ARTICLE 13** **AMENDMENTS**

**Section 13.1. By Directors.** These Bylaws may be amended or repealed wholly or in part, consistent with any bylaws adopted by the Board, at any meeting at which a quorum is present by an election by the entire Board in accordance with Section 4.1 hereinabove.

Attachment 5  
Head of School/  
Principal Resume



**Biography:**

Lloyd Knight is a career educator who started as a student teacher in North Carolina. He has now worked at nearly every level including classroom teacher, Curriculum Resource Teacher, Assistant Principal, Principal, and school system leader. Being drawn to turnaround work as an instructional leader, Mr. Knight served as the Principal of CICS Lloyd Bond in the housing projects Chicago. While under his leadership, the school achieved breakthrough growth in reading and math due in large part to the implementation of Daily 5, Math Daily 3, and a rigorous independent reading program. In two years, CICS Lloyd Bond went from the closed list to the 4<sup>th</sup> Best Charter Elementary School in the City of Chicago, according to Chicago Magazine.

After achieving such great success in Chicago, Mr. Knight was promoted to the position of Lead Principal of North Carolina for Charter Schools USA. In this position, he spearheaded the expansion of five new buildings and the largest portfolio of charter schools in the state of North Carolina.

Mr. Knight returned to his work in school turnaround when he accepted the role of Principal at Thomas Carr Howe Community High School in Indianapolis. Under his leadership at TC Howe, and in partnership with Noble Education Initiative, the school has achieved an historic high in graduation rate, the second highest high school state test passing rate in Indianapolis Public Schools, and the highest growth in the city. Through the school's implementation of the Noble Education Initiative education model for continuous improvement, Mr. Knight is leading dynamic change in culture, academics, and pathways to graduation for students in Indianapolis.

Mr. Knight is a trained peacekeeper, holds a Bachelor of Arts degree in elementary education from Shaw University in North Carolina, and earned his Master of Arts degree in education leadership from DePaul University in Chicago.

Attachment 6  
Education Service  
Provider Contract/Term  
Sheet

## MANAGEMENT AGREEMENT

**THIS MANAGEMENT AGREEMENT** is made and entered into as of the day of (Month, Day, Year) by and between Noble Education Initiative, Inc., A Delaware Corporation (“NEI”), and ReThink Forward Indiana, Inc. (ReThink), an Indiana non-profit corporation (the “Charter School”).

### RECITALS

**WHEREAS**, the Charter School has an approved charter application (the “Charter Application”) for the operation of (Thomas Carr Howe Community High School) located at 4900 Julian Avenue, Indianapolis, IN 46201 to the Indiana Charter School Board (ICSB) to operate a public charter school; and

**WHEREAS**, the Charter School has determined that it is in its best interest to contract with a qualified and competent educational service provider to operate the Charter School; and

**WHEREAS**, NEI is in the business of developing, managing, staffing, and operating public charter schools for non-profit boards; and

**WHEREAS**, the Charter School wishes to hire NEI, and NEI wishes to be hired by Charter School to manage and operate the Charter School upon the terms and conditions set forth herein; and

**NOW, THEREFORE**, for mutual and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree with each other as follows:

### ARTICLE I CONTRACTING RELATIONSHIP

**A. Authority.** The Charter School represents that it is authorized by law to contract with NEI and for NEI to provide educational management services to the Charter School. The Charter School further represents that it has a Charter Application which has been submitted to the ICSB for authorization to organize and operate a public charter school. Upon approval of the Charter Application, the Charter School will enter into a charter contract with the ICSB (the “Charter Contract”). The Charter School is therefore authorized by the Charter Application, Charter Contract and the ICSB to supervise and control such Charter School, and is invested with all powers necessary or desirable for carrying out the educational program contemplated in this Agreement.

**B. Agreement.** The Charter School hereby contracts with NEI, to the extent permitted by law, for the provision of all labor and supervision necessary for the provision of educational services to students, and the management, operation and maintenance of the Charter School in accordance with the educational goals, curriculum, methods of pupil

assessment, admission policy and criteria, school calendar and school day schedule, age and grade range of pupils to be enrolled, educational goals, and method to be used to monitor compliance with performance of targeted educational outcomes, all as adopted by the Charter School's Board of Directors (the "Board") and included in the Charter Contract between the Charter School and the ICSB. NEI's obligations to the Charter School shall be only as expressly set forth in this Agreement. Duties required to be carried out for the operation of the Charter School which are not expressly set forth herein as being NEI's responsibility shall remain the Board's sole responsibility.

**C. Designation of Agents.** The Board designates the employees of NEI as agents of the Charter School having a legitimate educational interest such that they are entitled to access to educational records under 20 U.S.C. §1232g, the Family Rights and Privacy Act ("FERPA") and other applicable law. The Board, subject to its discretion, hereby authorizes NEI to communicate with and negotiate on the Board's behalf with all state and governmental agencies, as directed by the Board.

**D. Status of the Parties.** NEI is a Delaware corporation, and is not a division or a part of the Charter School. The Charter School is an Indiana non-profit corporation with 501(c) (3) IRS designation (pending) authorized by the Charter Contract, and is not a division or part of NEI. The parties to this Agreement intend that the relationship created by this Agreement is that of an independent contractor and does not create an employer employee relationship. Except as expressly provided in this Agreement, no agent or employee of NEI shall be deemed to be the agent or employee of the Charter School. NEI shall be solely responsible for its acts and the acts of its agents, employees and subcontractors. The relationship between NEI and the Charter School is based solely on the terms of this Agreement, and the terms of any other written agreements between NEI and the Charter School.

## **ARTICLE II TERM**

This Agreement shall be effective as of the date first written above and shall continue for an initial term consistent with the term of the Charter Contract unless terminated or cancelled earlier in accordance with this Agreement, or for good cause, as agreed by NEI and the Charter School. After the initial term, then the term of the Agreement shall be extended (i) to the extent NEI performs in accordance with the terms of this Agreement, (ii) in the event that the Charter Contract is extended or replaced, or (iii) in the event the Board approves the extension by express vote. The term of the extension of the Agreement shall correspond to the length of the Charter Contract unless this Agreement is otherwise terminated or cancelled earlier in accordance with this Agreement, or for good cause, as agreed by NEI and the Charter School. Nothing contained in this Agreement shall be construed to restrict or prevent the Charter School from entering into a Management Agreement with any other party for any school other than the Charter School that is the subject of this Agreement.

### **ARTICLE III FUNCTIONS OF NEI**

**A. Responsibility.** NEI shall be responsible and accountable to the Board for the operation and performance of the Charter School in accordance with the Charter Contract. NEI's responsibility is expressly limited by: (i) the Charter School's Annual Budget, which is to be submitted and approved by the Board as provided in this Agreement, and (ii) the availability of state funding to pay for said services. Neither NEI nor the Charter School shall be required to expend Charter School funds on services in excess of the amount set forth in the Charter School's Annual Budget. There is nothing in the Agreement which shall delegate the ultimate authority of the Charter School.

**B. Educational Program.** NEI agrees to implement the Educational Program. In the event NEI determines that it is necessary to modify the Educational Program, NEI shall inform the Board of the proposed changes and obtain Board approval, and if required under the Charter Contract, approval of the ICSB. The parties hereto acknowledge that an essential principle of the Educational Program are their flexibility, adaptability and capacity to change in the interest of continuous improvement and efficiency, and that the Charter School and NEI are interested in results and not in inflexible prescriptions. Not less than annually, and otherwise as requested, NEI will provide the Board with updated reports on progress towards implementing each of the Charter School's educational goals in the Educational Program.

**C. Specific Functions.** NEI shall be responsible for the management, operation, accounting and Educational Program at the Charter School. Such functions include:

1. Perform day-to-day management of the Charter School, in accordance with this Agreement, the non-profit purpose of the Charter School, the Charter Contract and subject to the direction given by the Charter School;
2. Implement and administrate the Educational Program, including the selection of instructional materials, personnel, equipment, technology and supplies, and the administration of extra-curricular and co-curricular activities and programs approved by the Charter School. Perform repeated evaluation, assessment and continuous improvement of the educational curriculum and program development and report findings to the Charter School upon its request;
3. Management, selection, and application of technology services required to facilitate operation of the Charter School;
4. Manage personnel functions, including professional development for the Charter School Administrator and instructional personnel and the personnel functions outlined in Article VI of this Agreement including drafting

operations manuals, forms (including teacher offer letters, applications, enrollment and similar forms), and management procedures, as the same are from time to time developed by NEI and as approved or requested by the Charter School;

5. Management of the business administration of the Charter School;
6. Management of the accounting operation, including general ledger management and financial reporting including identifying and applying for non-competitive grants (competitive grants may include fees for application preparation and ongoing management for reporting and compliance), spending and administering any associated grant funding obtained in compliance with the specific terms and conditions of said grants and participating in any audits related thereto, and preparing the proposed Annual Budget for presentation to the Charter School for modification, amendment or approval; provided that any modifications or amendments shall be approved by express vote of the Charter School and be consistent with the staffing and educational models set forth in the Charter Contract; and,
7. Any other function necessary or expedient for the administration of the Charter School pursuant to the Charter Contract.

**D. Purchases.** Purchases made by NEI on behalf of the Charter School with the Charter School's funds, such as non-proprietary instructional and/or curriculum materials, books and supplies, and equipment will be the property of the Charter School. NEI shall own all proprietary rights to, and the Charter School's proprietary interest shall not include, curriculum or educational materials that are developed or copyrighted or similarly protected by NEI, including without limitation curriculum or educational materials that are developed by NEI with funds from the Charter School. NEI's educational materials and teaching techniques used by or at the Charter School shall be subject to disclosure to the extent required by law. This provision does not apply to any capital items leased or purchased by NEI with NEI's own funds.

**E. Subcontracts.** NEI shall not subcontract the management, oversight or operation of the teaching and instructional program, except as specifically permitted in this Agreement or with approval of the Board. NEI reserves the right to subcontract any and all aspects of all services it agrees to provide to the Charter School.

**F. Place of performance.** NEI reserves the right to perform functions other than instruction, such as purchasing, professional development, and administrative functions, off-site, unless prohibited by state or local law.

**G. Ongoing Student Recruitment.** NEI shall develop and manage ongoing recruitment of students, subject to general recruitment and admission policies of the Charter

School. Students shall be selected in accordance with the procedures set forth in the Charter Contract and in compliance with applicable laws. NEI shall present a plan to the Charter School to solicit and recruit students by various means, which may include but shall not be limited to the following: paid and unpaid media advertisements in a newspaper of general circulation, mailings to parents/guardians of prospective students, word-of-mouth and presentations to interested groups and distribute information through advertisements.

**H. Due Process Hearings.** NEI shall, at the Board's direction, provide student due process hearings in conformity with the requirements of state and federal law regarding discipline, special education, confidentiality and access to records, to an extent consistent with the Charter School's own obligations, and if necessary retain counsel on behalf of the Charter School. The Board shall retain the right to provide due process as required by law.

**I. Legal Requirements.** NEI shall provide Educational Programs that meet federal, state, and local requirements, and the requirements imposed under applicable laws and the Charter Contract, unless such requirements are or have been waived.

**J. Rules and Procedures.** NEI shall recommend reasonable rules, regulations and procedures applicable to the Charter School and is authorized and directed to enforce such rules, regulations and procedures adopted by the Charter School.

**K. School Year and School Day.** The school year and the school day shall be as required by Indiana law and as determined annually by the Board.

**L. Pupil Performance Standards and Evaluation.** NEI shall be responsible and accountable to the Board for the performance of students who attend the Charter School. NEI will utilize assessment strategies required by the terms of the Charter Contract. The Board and NEI will cooperate in good faith to identify measures of and goals for Charter School students and school performance, including but not limited to academic achievement and parent satisfaction. NEI shall perform its duties and responsibilities as set forth in this Agreement to the reasonable satisfaction of the Board.

**M. Services to Disabled Students and Special Education.** NEI shall provide special education services to students who attend the Charter School in conformity with the requirements of state and federal law. NEI may subcontract as necessary and appropriate for the provision of services to students whose special needs cannot be met within the Charter School's program, subject to approval of the Board. Such services shall be provided in a manner that complies with local, state and federal laws and applicable regulations and policies. Consistent herewith, the Board acknowledges the individualized nature of services that may need to be provided to disabled and special needs students and the impact that the provision of such individualized services may have on the Annual Budget. The Board and NEI mutually agree to adjust the Annual Budget as deemed necessary with respect to the provision of services to disabled and special needs students under this paragraph, as required by law.

**N. Contract between the Charter School and the ICSB.** NEI will not act in a manner that will cause the Charter School to be in breach of its Charter Contract with the ICSB.

**O. Unusual Events.** NEI agrees to timely notify the Board and/or school administrator of any anticipated or known: (i) material health or safety issues, (ii) labor, employee or funding problems, or (iii) problems of any other type that could adversely affect the Charter School in complying with its responsibilities hereunder or its responsibilities under the Charter Contract.

**P. Student and Financial Records.** All student and financial information related to the Charter School shall be available for inspection at the Charter School upon reasonable request consistent with applicable federal and state laws.

**Q. Charter School Records/Proprietary.** The financial, educational and student records pertaining to the Charter School are Charter School property, and such records are subject to the provisions of the applicable freedom of information act(s) to the extent required by applicable law. All Charter School records shall be physically or electronically available, upon request, at the Charter School. Except as prohibited under the Charter Contract and applicable law, the ICSB and the public shall have access to the Charter School's records.

**R. NEI Performance Goals.**

- a) Timely submission of required reports set forth in this Agreement;
- b) Strict adherence to the approved Annual Budget for the operation and management of the Charter School, with no aggregate cost over-runs; and
- c) Such performance goals contained within the Charter Contract and the Charter Application

**S. Educational and Other Services.** Upon Board approval, NEI shall provide certain educational and other services. Such services may include but are not limited to certain technology services, proprietary curriculum and other instructional tools as well as school development services which may be provided by NEI, its affiliates or third-party entity.

**ARTICLE IV  
OBLIGATIONS OF THE BOARD**

**A. Good Faith Obligation.** The Board shall be responsible for its fiscal and academic policy. The Board shall exercise good faith in considering the recommendations of NEI, including but not limited to, NEI's recommendations concerning policies, rules, regulations and budgets. If the Board's unwillingness to adopt NEI's reasonable recommendations with respect to policies, rules, and regulations specifically inhibits NEI's

ability in implementing the school design as set forth in the Charter Application, NEI shall have the option of terminating this Agreement. Any material changes to the Board's bylaws may be grounds for termination by NEI to the extent those changes create obligations for NEI without prior approval.

**B. Assistance to NEI.** The Charter School shall cooperate with NEI in furnishing all information and submitting all forms and reports required in association with this Agreement, including timely notice of all Board meetings. The Charter School shall timely furnish NEI all documents and records necessary for NEI to properly perform its responsibilities under this Agreement. Governing Board members will comply with mandated compliance requirements and remain current with all such requirements throughout the duration of this agreement.

**C. Unusual Events.** The Charter School agrees to timely notify NEI of any anticipated or known: (i) material health or safety issues, (ii) labor, employee or funding problems, or (iii) problems of any other type that could adversely affect NEI in complying with its responsibilities hereunder.

**D. Retained Authority.** The Board shall retain the authority to make reasonable regulations relative to anything necessary for the proper establishment, maintenance, management, and carrying on of the Charter School, including regulations relative to the conduct of pupils while in attendance at the Charter School or en route to and from the Charter School.

**E. Food Service.** The Charter School shall be managed, operated and administered by or shall otherwise provide authority to NEI to manage, operate and administer the Food Service for the Charter School including but not limited to cause all conditions necessary to satisfy all requirements of the Federal Statutes regarding the National School Lunch Program at 7 C.F.R. §210.1, et seq.

## **ARTICLE V FINANCIAL ARRANGEMENTS**

**A. Revenues.** Except as hereinafter provided, all monies received by the Board shall be deposited in the Charter School's depository account with a financial institution acceptable to the Board and NEI. The signatories on the account shall only be the Board members or designated NEI employees designated by the Board. Interest income earned on Charter School depository accounts shall accrue to the Charter School. Except as specifically excluded by the terms of this Agreement, the term "Revenues" shall include all funds received by or on behalf of the Charter School, including but not limited to:

1. Funding for public school students enrolled in the Charter School.
2. Special education funding provided by Federal, State and Local Governments to the Charter School that is directly allocable to special education students in the Charter School.

3. Gifted and Talented funding provided by Federal, State and Local Governments that is directly allocable to Gifted and Talented students in the Charter School.
4. At-Risk Funding provided by Federal, State and Local Governments to the Charter School that is directly allocable to At-Risk students in the Charter School.
5. Funding provided by Federal, State and Local Governments to the Charter School that is directly allocable to students in the Charter School with limited English proficiency.
6. Federal, State and Local grant sources, including Title I and Charter School startup funds, which is directly allocable to the Charter School.
7. Grants and donations received by the Charter School (except to the extent NEI is not required or involved in soliciting, administering, or managing such grants and/or donations).
8. Fees charged to students and others for extra services as and to the extent permitted by law (all of the above are hereinafter collectively referred to as the “Revenues”).

The Board may advance funds to NEI for the fees or expenses associated with the Charter School’s operation provided that documentation for the fees and expenses are provided for Board ratification. The Revenues shall be expended by NEI in accordance with the approved Budget and as otherwise authorized by the Board. The expenditure of Revenues received from governmental entities shall be consistent with all applicable regulations and policies, and in the case of private donations, the directives of the donor where applicable. To the extent that there are not sufficient funds in the Operating Account to pay Operating Expenses, NEI may, at NEI’s option, deposit funds into the Charter School Operating Accounting (“Operating Advances”). Operating Advances can only be made in accordance with the approved Annual Budget. The Charter School shall reimburse NEI all Operating Advances, together with interest earned thereon from Total Revenues as and when the funds become available; provided, however, that if at the end of each Fiscal Year Total Revenues, after payment of Debt Service and Operating Expense, are insufficient to reimburse all Operating Advances attributable to such Fiscal Year, NEI may forgive the un-reimbursed balance of Operating Advances, including interest earned thereon.

**B. Budget.** NEI shall manage the budget, accounting, and financial reporting functions for the Charter School in accordance with the Requests of the ICSB, the provisions of the Charter Contract and the approved Annual Budget by the Board.

NEI shall prepare and submit to the Charter School for its approval for each Fiscal Year (July 1-June 30), an Annual Budget for the Charter School. Each Annual Budget

shall state an estimate for the coming Fiscal Year for (i) Total Revenues; (ii) Operating Expenses; (iii) Reserve Expenses; (iv) Audit Expenses; and (v) Fund Balance.

Reserve Expenses means the amount of money reflected in the Annual Budget that NEI must deposit into an account for Reserve Expenses. The Reserve Expense Account shall be used for the establishment of reasonable reserves for long-term renewal and replacement of the School Facility or portions thereof. NEI shall obtain approval from the Charter School to withdraw funds from the Reserve Expense Account. There shall be a goal of 1% of funding per year for both the reserve and fund balance.

(i) NEI shall submit to the Charter School for its review and approval a preliminary Annual Budget for each Fiscal Year for the Charter School, on or before June 30th of the current Fiscal Year. It is the intent of this provision that NEI prepare and submit to the Charter School a balanced Annual Budget, which shall provide for full payment of the (i) Total Revenues; (ii) Operating Expenses; (iii) Reserve Expenses, (iv) Audit Expenses and (v) Fund Balance with respect to the Charter School.

(ii) The Charter School must notify NEI in writing that it approves the Annual Budget within thirty (30) days of submission by NEI, which approval shall not be unreasonably withheld or delayed. If the Charter School does not approve the Annual Budget, the Charter School shall give specific reasons therefore and continue to deposit the balance of Total Revenues into the Charter School Operating Account pursuant to its obligations in Article V. If the Charter School does not approve the Annual Budget within thirty days of submission by NEI, Charter School shall be deemed to approve the Annual Budget. NEI and the Charter School acknowledge that a Final Budget shall be completed no later than June 30th.

(iii) NEI may amend the Annual Budget(s) not less frequently than semi-annually in order to reflect the results of the most recent student count and may make such other modifications as it may from time to time find necessary. Any such amendment shall only be valid if approved by the express vote of the Board. NEI shall report any changes upon which the Annual Budget was based within fifteen days after NEI becomes aware of any such change.

(iv) NEI shall operate and manage the Charter School according to its Annual Budget.

(v) NEI shall use reasonable efforts to operate the Charter School within its Annual Budget.

**C. Compensation.** NEI shall be entitled to an amount not to exceed 10% of “Revenues” for the services outlined in Exhibit “A.” Said amount shall be determined by the Governing Board and set forth within the Governing Board's approved Annual Budget Compensation shall be payable monthly in arrears in substantially equal monthly installments during such year. The compensation shall be consistent with all applicable law and regulation. To the extent any compensation shall be unpaid at the end of any (past and future) Fiscal Year, such unpaid compensation shall be deferred and due when the School has available net operating revenue.

**D. Availability of Funds.** NEI shall only be required to perform its responsibilities under this Agreement to the extent that there are sufficient Revenues to make payments in accordance with the terms of the Budget.

**E. Financial Reporting.** NEI shall provide the Board with:

1. The projected Annual Budget as required by the terms of this Agreement.
2. Detailed statements of all Revenues received, and detailed statements of all expenditures for services and or expenses rendered or incurred to or on behalf of the Charter School, whether incurred on-site or off-site, upon request.
3. Financial statements by the 30<sup>th</sup> day of the following month as required by law or charter contract, including a balance sheet and statement of revenues and expenditures.
4. Other information on a periodic basis to enable the Board to (i) monitor NEI's performance and the efficiency of its operation of the Charter School, and (ii) furnish reports and information which the Charter School is required to provide pursuant to its Charter Contract and/or applicable laws.

**G. Access to Records.** NEI shall keep accurate financial records pertaining to its operation of the Charter School, together with all Charter School financial records prepared by or in possession of NEI, and shall retain all of the said records for a period of time as may be required by the Charter Contract. NEI and the Charter School shall maintain the proper confidentiality of personnel, students, and other records as required by law.

**H. Review of Operational Budget.** The Board shall be responsible for reviewing and approving the Annual Budget of the Charter School as presented by NEI.

**I. Annual Audit.** The Board shall select and retain an independent auditor, to conduct an annual audit of the Charter School in accordance with the Charter School's authorizing documents. Subject to applicable law, all finance and other records of NEI related to the Charter School will be made available to the Charter School's independent auditor.

**J. Start-up Operating Losses.** With Charter School approval, NEI may, in its sole discretion, provide funds for operating losses for the Charter School during the startup period. NEI advances shall be budgeted and shall be in amounts acceptable to NEI. NEI shall be reimbursed from the Revenues as and when funds are available.

**K. Marketing.** Marketing and development costs paid by or charged to the

Charter School shall be limited to those costs specific to the Charter School program and may include costs for the marketing and development of the Charter School.

## **ARTICLE VI PERSONNEL & TRAINING**

**A. Personnel Responsibility.** NEI shall select and hire qualified personnel to perform services at the Charter School. Personnel shall be employees of NEI, unless otherwise agreed by NEI and the Board. Each party shall be responsible for all compensation for their respective employees. The compensation of all employees will be paid in accordance with the approved Annual Budget referenced in Article V of this Agreement. NEI shall have the responsibility and authority to determine staffing levels, and to select, evaluate, assign, discipline, transfer and terminate personnel consistent with state and federal law.

**B. School Administrator.** The accountability of NEI to the Charter School is an essential component of this Agreement. Since the responsibility of the School Administrator is critical to the Charter School's success, NEI shall have the authority, consistent with state law, to select and supervise each School Administrator and to hold the School Administrator accountable for the success of the Charter School. NEI shall consult with the Board with respect to the hiring of the School Administrator, and NEI shall remove the School Administrator from the Charter School if the Board is reasonably dissatisfied with his or her performance.

**C. Teachers.** NEI shall determine the number of teachers, and the applicable grade levels and subjects, required for the operation of the Charter School. NEI shall provide the Charter School with such teachers, qualified in the grade levels and subjects required, as are required by the Charter School. The curriculum taught by such teachers shall be consistent with the Educational Program. Such teachers may, in the discretion of NEI, work at the Charter School on a full or part time basis. If assigned to the Charter School on a part time basis, such teachers may also work at other schools managed or operated by NEI. Each teacher assigned to the Charter School shall have such credentials, certifications and experience as may be required under the Charter Contract and applicable laws and shall undergo a criminal background check as if such teacher was employed by the Charter School.

**D. Support Staff.** NEI shall determine the number and the functions of support staff required for the operation of the Charter School. NEI shall provide the Charter School with qualified staff to efficiently operate the Charter School in accordance with the Charter Contract. The support staff may, in the discretion of NEI, work at the Charter School on a full or part time basis. If assigned to the Charter School on a part time basis, the support staff may also work at other schools managed or operated by NEI.

**E. Training.** NEI shall provide training in its methods, curriculum, program, and technology to all teaching personnel on a regular basis. Instructional personnel shall receive at least the minimum hours of professional development required by applicable

laws. Non-instructional personnel shall receive such training as NEI determines reasonable and necessary under the circumstances.

**F. Limitations on Discretion.** All decisions made by NEI, and any discretion exercised by NEI, in its determination of staffing levels and its selection, evaluation, assignment, discipline, and transfer of personnel, shall be consistent with the approved Annual Budget, local, state and federal law, and consistent with the parameters adopted by the board and included within the Educational Program.

## **ARTICLE VII DEFAULT**

**A. Default.** An event of default (“Event of Default”) by either party shall be limited to the following:

1. The Charter School fails to make any payment due hereunder within ten (10) days after the date such payment was due.
2. The Charter School materially breaches any of its other obligations under this Agreement and fails to cure such material breach within sixty (60) days after notice of such breach.
3. If NEI shall under such law as shall be applicable to it commence any case or proceeding, or file any petition in bankruptcy, or for reorganization, liquidation or dissolution, or be adjudicated, insolvent or bankrupt, or shall apply to any tribunal for a receiver, intervener, conservator or trustee for itself or for any substantial part of its property; or if there shall be commenced against it any such action and the same shall remain undismissed for more than sixty (60) days.
4. If NEI is found by an administrative or judicial body to have made fraudulent use of funds, or if an administrative or judicial body has revoked any license that may be required for NEI to carry on its business and perform its obligations and functions under this Agreement.
5. If NEI materially breaches this Agreement. Material Breach includes (i) failure to account for its expenditures or pay the Charter School’s operating costs (provided funds are available to do so), (ii) failure to follow policies, procedures, rules or curriculum duly adopted by the Board which is not in violation of this Agreement or the law, or (iii) insufficient progress has made in attaining student achievement objectives of the Agreement and the Charter Contract, and it is not likely that such objectives can be achieved before expiration of this Agreement, (iv) if the health, safety, or welfare of the students is threatened, (v) violation of law, (vi) the revocation, suspension or termination of licenses/certifications needed for any Charter

School operations solely as direct result of an act or failure to act by NEI, and (vii) the revocation by the ICSB of the Charter Contract solely as the direct result of an act or failure to act NEI. In the event of a material breach, NEI shall have (60) days after receipt of written notice to remedy said breach.

**B. Remedies.** Upon the occurrence of an uncured Event of Default by either party, the non-breaching party shall be entitled to pursue all remedies available under law or equity, including without limitation, terminating this Agreement upon seven (7) days prior written notice. In the event of termination of this Agreement for any reason by either party prior to the end of this Agreement’s term, NEI may, for a fee reasonably acceptable to NEI, provide the Charter School reasonable assistance for up to thirty (30) days to assist in the transition to another administrative or structural arrangement (although NEI shall not be required to provide any assistance to another management company or service provider). However, NEI will abide by all state laws that govern transition obligations, including but not limited to:

- Transfer to such entity of all student records;
- Transferring any and all other non-proprietary information and providing necessary assistance to the new program or education service provider to ensure the least disruption of the Charter School operation as a result of the termination of this agreement;
- Transferring and/or assigning to the Charter School all contracts, agreements, licenses, permissions, and other rights and privileges related to the operation of the Charter School; including, at NEI’s option, assignment of contracts for Personnel.

## **ARTICLE VIII INDEMNIFICATION**

Each party to this Agreement does hereby indemnify and hold harmless the other, and the ICSB, and their respective boards of directors, partners, officers, employees, agents, representatives, and attorneys from and against any and all claims, actions, damages, expenses, losses or awards which arise out of (i) its negligence, (ii) its action taken or not taken, or (iii) its noncompliance or breach of any of the terms, conditions, warranties, representations, or undertakings contained in or made pursuant to this Agreement. As used in this subsection, “party” shall include the party’s trustees, directors, officers, employees, agents, representatives and attorneys. Such indemnification may be achieved by the joint purchase of general liability and property insurance policies, or by such other means as the parties may mutually agree.

## **ARTICLE IX INSURANCE**

**A. Insurance Coverage.** Each party shall maintain such insurance in the coverage amounts as may be required by the Charter Contract, with the other party listed as an additional insured. Revenues from the Charter School will be used to purchase insurances defined in the Charter Contract to operate the Charter School, including the provision of Directors & Officers Liability insurance for the Board. Each party shall, upon request, present evidence to the other that it maintains the requisite insurance in compliance with the provisions of this paragraph. Each party shall comply with any information or reporting requirements required by the other party's insurers, to the extent reasonably practicable.

**B. Workers' Compensation Insurance.** Each party shall maintain workers' compensation insurance as required by the Charter Contract and applicable laws, covering their respective employees.

## **ARTICLE X WARRANTIES AND REPRESENTATIONS**

**A. Charter School Warranties and Representations.** The Charter School represents that it has the authority under law to execute, deliver and perform this Agreement and to incur the obligations provided for under this Agreement. The Board warrants that its actions have been duly and validly authorized, and that it will adopt any and all resolutions or expenditure approvals required for execution of this Agreement.

**B. NEI Warranties and Representations.** NEI warrants and represents that it is a Delaware corporation authorized to conduct business in the State of Indiana. NEI will comply with all registration and licensing requirements relating to conducting business under this Agreement. The Charter School agrees to assist NEI in applying for such licenses and permits and in obtaining such approvals and consents.

**C. Mutual Warranties.** The Charter School and NEI mutually warrant to the other that there are no pending actions, claims, suits or proceedings, to its knowledge, threatened or reasonably anticipated against or affecting it, which if adversely determined, would have a material adverse effect on its ability to perform its obligations under this Agreement.

## **ARTICLE XI MISCELLANEOUS**

**A. Sole Agreement.** This Agreement supersedes and replaces any and all prior agreements and understandings between the Charter School and NEI.

**B. Force Majeure.** Notwithstanding any other sections of this Agreement, neither party shall be liable for any delay in performance or inability to perform due to acts of God or due to war, riot, embargo, fire, explosion, sabotage, flood, accident, labor strike, or other acts beyond its reasonable control; provided either party may terminate this Agreement in accordance with the termination provisions contained in this Agreement if sufficient grounds exist as provided in the Article of this Agreement governing termination.

**C. State Governing Law/Waiver of Jury Trial.** The rights of all parties hereto shall be subject to the jurisdiction of and be construed according to the laws of the State of Indiana, and subject to venue in Marion County. NEI and the Charter School hereby waive the right to a jury trial in any action, proceeding or counterclaim brought by either NEI or the Charter School against the other.

**D. Agreement in Entirety.** This Agreement constitutes the entire agreement of the parties.

**E. Official Notices.** All notices and other communications required by the terms of this Agreement shall be in writing and sent to the parties hereto at the facsimile number or address set forth below. Notice may be given by: (i) by facsimile with written evidence of confirmed receipt by the receiving party of the entire notice, (ii) certified or registered mail, postage prepaid, return receipt requested, or (iii) personal delivery. Notice shall be deemed to have been given on the date of transmittal or personal delivery if given by facsimile or personal delivery, or upon the date of postmark if sent by certified or registered mail. Notices to the Charter School shall be sent to the current address of the then current Board President or Chairman, with a copy to the then current Board attorney. The address of the parties hereto for the purposes aforesaid, inclusive of the address of the initial Board President or Chairman and Board attorney, are as follows:

**Charter School:**

Address:  
4900 Julian Avenue  
Indianapolis, IN 46201

Phone:  
(317) 217-1983

with a copy to:  
Address:  
Phone:

**NEI:**

Sherry Hage, President  
600 CORPORATE DRIVE, SUITE 105  
FORT LAUDERDALE, FL 33334

with a copy to:  
C T CORPORATION SYSTEM  
1200 SOUTH PINE ISLAND ROAD  
PLANTATION, FL 33324

**F. Assignment.** Either party may assign this Agreement with the written consent of the other.

**G. Amendment.** This Agreement shall not be altered, amended, modified or supplemented except in writing and approved by the Board and signed by both the President or Chairman of the Board and the President of NEI.

**H. Waiver.** No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision. Nor shall such waiver constitute a continuing waiver unless otherwise expressly stated.

**I. Cost and Expenses.** If any party commences an action against another party as a result of a breach or alleged breach of this Agreement, the prevailing party shall be entitled to have and recover from the losing party its reasonable costs and attorneys' fees (including those incurred at appellate levels).

**J. Delegation of Authority.** Nothing in this Agreement shall be construed as delegating to NEI powers or authority of the Board, which are not subject to delegation by the Board under applicable law.

**K. Compliance with Law.** The parties to this Agreement agree to comply with all applicable laws and regulations.

**L. Compliance with Charter Contract.** The parties to this Agreement agree to comply with the terms and conditions set forth in the Charter Contract.

**SIGNATURE PAGE TO FOLLOW**

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date and year first above written.

**Noble Education Initiative, Inc.**

By:

Name:

Title:

Date:

AND

**ReThink Forward Indiana, Inc.**

By:

Name:

Title:

Date:

**EXHIBIT "A"**

**COMPENSATION**

Services included:

- Personnel Management
  - Personnel recruitment
  - Personnel screening & selection
  - Benefits administration
  - Standard professional development
- Educational Intellectual Property
- Curriculum Support
- Procurement/Vendor Management
- Finance & Accounting Services

# Attachment 7 Authorizer Accountability/Annual Report

Since Thomas Carr Howe Community High School is not currently a charter school, the school does not receive an annual accountability report from an authorizer. As such, Attachment 7 is not applicable.

Attachment 8  
Budget Projections  
Workbook

## Instructions for 5-Year Pro Forma Budget Submission

= Information should be entered into light gray shaded cells.

|  |                                   |
|--|-----------------------------------|
| <b>Name of Proposed Charter School:</b>    | Thomas Carr Howe Community School |
| <b>Planned Opening School Year (YYYY):</b> | 2021                              |
| <b>Planned Location:</b>                   | Indianapolis Public Schools       |

|  |  |
|--|--|
| <a href="#">1. Instructions</a>                  | <ul style="list-style-type: none"> <li>All organizers submitting a charter application to the Indiana Charter School Board must complete all four BLUE tabs of the 5-Year Pro Forma Budget Template. No information is required to be entered into WHITE cells, they will autofill as information is entered into GREY cells.</li> </ul>   |
| <a href="#">2. Enrollment Projection</a>         | <ul style="list-style-type: none"> <li>Please provide a summary of the school's projected enrollment for the proposed grade span for the next five years.</li> </ul>   |
| <a href="#">3. Staffing Plan</a>                 | <ul style="list-style-type: none"> <li>Please provide a list of administrative, instructional, and other staff along with estimates of proposed salaries and benefits. Please include both full and part-time employees and contractors. Projected salary and benefits should align with Year 0 and 5-Year budgets.</li> <li>The estimated "average salary" for each position should include all taxable amounts (including taxable fringe benefits, stipends, bonuses, awards, and allowances).</li> <li>"Other Insurance" includes health care, long-term care, life, disability.</li> <li>"Other Benefits" are non-taxable benefits (e.g., educational assistance, dependent care assistance, transportation benefits, non-taxable fringe benefits, etc.).</li> </ul> |
| <a href="#">4. Year 0 - Budget and Cash Flow</a> | <ul style="list-style-type: none"> <li>Please provide budget and cash flow projections for the start-up year (Year 0).</li> </ul>  |
| <a href="#">5. 5-Year Budget</a>                 | <ul style="list-style-type: none"> <li>Please provide 5-year budget projections (Year 1 - Year 5). Year 0 data will automatically populate once Tab 4 is completed. Note that the information provided in Tab 3 must align with the personnel expenses provided in Tab 5 or Tab 5 will throw an ERROR.</li> </ul>  |
| Notes:   | <ul style="list-style-type: none"> <li>Applicants proposing to operate a network of schools should add a worksheet or attach a separate file reflecting the consolidated network's 5-Year pro-forma budget, reflecting all components - including the regional back office/central office - of the Indiana network.</li> <li>This template is not intended to be exhaustive. If it is unclear to which line a particular item of revenue or expense belongs, add it to the closest approximation or to one of the "other" categories and make a note in the budget narrative.</li> </ul>   |

## School Enrollment Projections

(must align with Charter Application Enrollment Plan)

School Name: **Thomas Carr Howe Community School**  
 Planned Opening Year: **2021**

| Enrollment                 | Year 1                 | Year 2                 | Year 3                 | Year 4                 | Year 5                 |
|----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Kindergarten               | 20                     | 40                     | 60                     | 80                     | 100                    |
| Grade 1                    | 23                     | 46                     | 69                     | 92                     | 115                    |
| Grade 2                    | 23                     | 46                     | 69                     | 92                     | 115                    |
| Grade 3                    | 23                     | 46                     | 69                     | 92                     | 92                     |
| Grade 4                    | 23                     | 46                     | 69                     | 92                     | 92                     |
| Grade 5                    | 23                     | 46                     | 69                     | 92                     | 92                     |
| Grade 6                    | 25                     | 50                     | 75                     | 100                    | 100                    |
| Grade 7                    | 100                    | 100                    | 100                    | 100                    | 100                    |
| Grade 8                    | 100                    | 100                    | 100                    | 100                    | 100                    |
| Grade 9                    | 100                    | 100                    | 100                    | 100                    | 100                    |
| Grade 10                   | 100                    | 100                    | 100                    | 100                    | 100                    |
| Grade 11                   | 100                    | 100                    | 100                    | 100                    | 100                    |
| Grade 12                   | 100                    | 100                    | 100                    | 100                    | 100                    |
| Adult                      |                        |                        |                        |                        |                        |
| <b>Total Enrollment:</b>   | <b>760</b>             | <b>920</b>             | <b>1080</b>            | <b>1240</b>            | <b>1306</b>            |
| <b>Special Education #</b> | <b>163</b>             | <b>198</b>             | <b>232</b>             | <b>267</b>             | <b>281</b>             |
| <b>English Learners #</b>  | <b>49</b>              | <b>59</b>              | <b>69</b>              | <b>79</b>              | <b>84</b>              |
| <b>FRL #</b>               | <b>760</b>             | <b>920</b>             | <b>1080</b>            | <b>1240</b>            | <b>1306</b>            |
| <b>Basic Grant</b>         | \$ 4,067,520.00        | \$ 4,923,840.00        | \$ 5,780,160.00        | \$ 6,636,480.00        | \$ 6,989,712.00        |
| <b>Complexity</b>          | \$ 1,262,246.00        | \$ 1,527,982.00        | \$ 1,793,718.00        | \$ 2,059,454.00        | \$ 2,169,070.10        |
| <b>Adult Grant</b>         | \$ -                   | \$ -                   | \$ -                   | \$ -                   | \$ -                   |
| <b>Total:</b>              | <b>\$ 5,329,766.00</b> | <b>\$ 6,451,822.00</b> | <b>\$ 7,573,878.00</b> | <b>\$ 8,695,934.00</b> | <b>\$ 9,158,782.10</b> |

Indiana's Complexity Grant addresses vertical equity by utilizing demographic factors to provide additional funding to school corporations serving proportionally more students from low-income families. It is based on the percentage of the school corporation's students receiving SNAP, TANF, or foster care services. The above **Complexity** calculation is an estimate based on the complexity index for the school corporation in which the proposed charter school will be located. The school's actual complexity amount will likely differ.

5-Year Projected Staffing Plan

School Name: Thomas Carr Howe Community School  
 Planned Opening Year: 2021

Complete all relevant Grey Shaded areas -> Name of Position, Number of Positions, Average Salary, Health Insurance, Retirement Contribution, and Other Benefits.  
 Projected salary and benefits should align with Year 0 and 5-Year budgets.

|   | Year 0      |                                  |                        | Year 1      |                                  |                        | Year 2      |                                  |                        |
|---|-------------|----------------------------------|------------------------|-------------|----------------------------------|------------------------|-------------|----------------------------------|------------------------|
|   | Number      | Average Salary                   | Total Expense          | Number      | Average Salary                   | Total Expense          | Number      | Average Salary                   | Total Expense          |
| <b>INSTRUCTIONAL STAFF</b>              |             |                                  |                        |             |                                  |                        |             |                                  |                        |
| Teachers K-5                            | 0.0         | \$ 36,097.84                     | \$ -                   | 6.0         | \$ 36,819.80                     | \$ 220,918.78          | 12.0        | \$ 37,556.19                     | \$ 450,674.31          |
| Teachers 6-8                            | 1.0         | \$ 36,097.84                     | \$ 36,097.84           | 21.0        | \$ 36,819.80                     | \$ 773,215.73          | 22.0        | \$ 37,556.19                     | \$ 826,236.24          |
| Teachers - HS & Others                  | 34.2        | \$ 36,097.84                     | \$ 1,234,507.48        | 2.0         | \$ 36,819.80                     | \$ 73,639.59           | 2.0         | \$ 37,556.19                     | \$ 75,112.39           |
| PE/Instructional Aides                  | 5.0         | \$ 21,358.31                     | \$ 106,791.55          | 4.0         | \$ 21,785.48                     | \$ 87,141.90           | 4.0         | \$ 22,221.19                     | \$ 88,884.74           |
| ESE/Special Education                   | 5.0         | \$ 41,066.15                     | \$ 205,330.75          | 5.0         | \$ 41,887.47                     | \$ 209,437.37          | 5.0         | \$ 42,725.22                     | \$ 213,626.11          |
| Curriculum Resource Teacher             | 4.0         | \$ 46,457.28                     | \$ 185,829.12          | 4.0         | \$ 47,386.43                     | \$ 189,545.70          | 4.0         | \$ 48,334.15                     | \$ 193,336.62          |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
| <b>Total Instructional Staff:</b>       | <b>49.2</b> |                                  | <b>\$ 1,768,556.74</b> | <b>42.0</b> |                                  | <b>\$ 1,553,899.08</b> | <b>49.0</b> |                                  | <b>\$ 1,847,870.41</b> |
| <b>ADMIN &amp; SUPPORT</b>              |             |                                  |                        |             |                                  |                        |             |                                  |                        |
| School Leadership                       | 3.0         | \$ 84,150.00                     | \$ 252,450.00          | 3.0         | \$ 85,833.00                     | \$ 257,499.00          | 3.0         | \$ 87,549.66                     | \$ 262,648.98          |
| Administrative - Salaried               | 5.0         | \$ 44,000.00                     | \$ 220,000.00          | 1.0         | \$ 44,880.00                     | \$ 44,880.00           | 1.0         | \$ 45,777.60                     | \$ 45,777.60           |
| Administrative Assistant                | 1.0         | \$ 22,800.00                     | \$ 22,800.00           | 1.0         | \$ 23,256.00                     | \$ 23,256.00           | 1.0         | \$ 23,721.12                     | \$ 23,721.12           |
| Enrollment Manager                      | 0.0         | \$ 35,000.00                     | \$ -                   | 1.0         | \$ 35,700.00                     | \$ 35,700.00           | 1.0         | \$ 36,414.00                     | \$ 36,414.00           |
| Student Services Coordinator            | 2.0         | \$ 46,439.51                     | \$ 92,879.02           | 3.0         | \$ 47,368.30                     | \$ 142,104.90          | 3.0         | \$ 48,315.67                     | \$ 144,947.00          |
| Nurse                                   | 1.0         | \$ 22,920.00                     | \$ 22,920.00           | 1.0         | \$ 23,378.40                     | \$ 23,378.40           | 1.0         | \$ 23,845.97                     | \$ 23,845.97           |
| Other Support                           | 2.0         | \$ 61,843.01                     | \$ 123,686.02          | 3.0         | \$ 63,079.87                     | \$ 189,239.61          | 3.0         | \$ 64,341.47                     | \$ 193,024.40          |
| Plant Operations                        | 3.0         | \$ 23,262.33                     | \$ 69,786.99           | 2.0         | \$ 23,727.58                     | \$ 47,455.15           | 2.0         | \$ 24,202.13                     | \$ 48,404.26           |
| Food Service Director                   | 1.0         | \$ 19,550.54                     | \$ 19,550.54           | 1.0         | \$ 19,941.55                     | \$ 19,941.55           | 1.0         | \$ 20,340.38                     | \$ 20,340.38           |
| Food Service worker                     | 2.0         | \$ 14,981.76                     | \$ 29,963.52           | 2.0         | \$ 15,281.40                     | \$ 30,562.80           | 2.0         | \$ 15,587.02                     | \$ 31,174.04           |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
|   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   | \$ -        | \$ -                             | \$ -                   |
| <b>Total Admin &amp; Support Staff:</b> | <b>20.0</b> |                                  | <b>\$ 854,036.09</b>   | <b>18.0</b> |                                  | <b>\$ 814,017.41</b>   | <b>18.0</b> |                                  | <b>\$ 830,297.75</b>   |
|   |             | <b>Rate/Per Employee Expense</b> | <b>Total Expense</b>   |             | <b>Rate/Per Employee Expense</b> | <b>Total Expense</b>   |             | <b>Rate/Per Employee Expense</b> | <b>Total Expense</b>   |
| <b>BENEFITS</b>                         |             |                                  |                        |             |                                  |                        |             |                                  |                        |
| Other Insurance                         |             | \$ -                             | \$ -                   |             | \$ 5,467.73                      | \$ 328,063.94          |             | \$ 5,585.51                      | \$ 374,229.34          |
| Retirement Contribution                 |             | \$ -                             | \$ -                   |             | \$ -                             | \$ -                   |             | \$ -                             | \$ -                   |
| Social Security                         |             | 6.2%                             | \$ 162,600.76          |             | 6.2%                             | \$ 146,810.82          |             | 6.2%                             | \$ 166,046.43          |
| Medicare                                |             | 1.45%                            | \$ 38,027.60           |             | 1.45%                            | \$ 34,334.79           |             | 1.45%                            | \$ 38,833.44           |
| Unemployment                            |             | 2.5%                             | \$ 65,564.82           |             | 2.5%                             | \$ 59,197.91           |             | 2.5%                             | \$ 66,954.20           |
| Other Benefits                          |             | \$ -                             | \$ -                   |             | \$ -                             | \$ -                   |             | \$ -                             | \$ -                   |

| <b>SUMMARY</b>                    | Year 0                 |             | Year 1                 |             | Year 2                 |             |
|-----------------------------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|
|                                   | <b>Total Staff</b>     | <b>69.2</b> |                        | <b>60.0</b> |                        | <b>67.0</b> |
| <b>Total Salaries:</b>            | <b>\$ 2,622,592.83</b> |             | <b>\$ 2,367,916.49</b> |             | <b>\$ 2,678,168.16</b> |             |
| <b>Total Benefits:</b>            | <b>\$ 266,193.17</b>   |             | <b>\$ 568,407.46</b>   |             | <b>\$ 646,063.40</b>   |             |
| <b>Total Salaries + Benefits:</b> | <b>\$ 2,888,786.00</b> |             | <b>\$ 2,936,323.95</b> |             | <b>\$ 3,324,231.56</b> |             |
| <b>Student/teacher ratio</b>      | <b>N/A</b>             |             | <b>18:1</b>            |             | <b>19:1</b>            |             |
| <b>Student/staff ratio</b>        | <b>N/A</b>             |             | <b>42:1</b>            |             | <b>51:1</b>            |             |



**Annual Operating Budget and Cash Flow Projections -- Fiscal Year 0**

School Name: Thomas Carr Howe Community School  
 Planned Opening Year: 2021

| <b>REVENUES</b>   |  | July          | August        | September     | October       | November      | December      |
|---|--|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Federal Revenues - See Footnotes</b>                     |  |               |               |               |               |               |               |
| 1   | Public Charter School Program Grant              | \$ 380,856.67 | \$ 380,856.67 | \$ 380,856.67 | \$ 380,856.67 | \$ 380,856.67 | \$ 380,856.67 |
| 2   | Other Federal Revenue (please describe) (1)      | \$ 133,934.17 | \$ 133,934.17 | \$ 133,934.17 | \$ 133,934.17 | \$ 133,934.17 | \$ 133,934.17 |
| <b>Total Federal Revenues:</b>                              |  | \$ 514,790.83 | \$ 514,790.83 | \$ 514,790.83 | \$ 514,790.83 | \$ 514,790.83 | \$ 514,790.83 |
| <b>Other Revenues</b>                                       |  |               |               |               |               |               |               |
| 3   | Contributions and Donations from Private Sources | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| 4   | Interest Income                                  | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| 5   | Other Revenue (please describe)                  | \$ 2,083.33   | \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  |
| <b>Total Other Revenues:</b>                                |  | \$ 2,083.33   | \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  |
| <b>TOTAL REVENUES:</b>                                      |  | \$ 516,874.17 | \$ 546,160.67 | \$ 546,160.67 | \$ 546,160.67 | \$ 546,160.67 | \$ 546,160.67 |
| <b>EXPENSES</b>   |  |               |               |               |               |               |               |
| <b>Personnel Expenses</b>                                   |  |               |               |               |               |               |               |
| 6   | Wages, Benefits and Payroll Taxes                | \$ 201,094.50 | \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 |
| <b>Total Personnel Expenses:</b>                            |  | \$ 201,094.50 | \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 |
| <b>Instructional Supplies and Resources - See Footnotes</b> |  |               |               |               |               |               |               |
| 7   | Textbooks  | \$ -          | \$ 2,500.00   | \$ 2,500.00   | \$ 2,500.00   | \$ 2,500.00   | \$ 2,500.00   |
| 8   | Library/Media Services (Other than Staff)        | \$ -          | \$ 500.00     | \$ 500.00     | \$ 500.00     | \$ 500.00     | \$ 500.00     |
| 9   | Instructional Supplies                           | \$ -          | \$ 9,500.00   | \$ 9,500.00   | \$ 9,500.00   | \$ 9,500.00   | \$ 9,500.00   |
| 10  | Technology Supporting Instruction (2)            | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| 11  | Student Assessment                               | \$ -          | \$ 3,000.00   | \$ 3,000.00   | \$ 3,000.00   | \$ 3,000.00   | \$ 3,000.00   |
| 12  | Computers used for Instruction                   | \$ 9,143.70   | \$ 2,473.42   | \$ 2,473.42   | \$ 2,473.42   | \$ 2,473.42   | \$ 2,473.42   |
| 13  | Instructional Software                           | \$ 7,329.61   | \$ 5,454.55   | \$ 5,454.55   | \$ 5,454.55   | \$ 5,454.55   | \$ 5,454.55   |
| 14  | Enrichment Programs (3)                          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| <b>Total Instructional Supplies and Resources:</b>          |  | \$ 16,473.31  | \$ 23,427.97  | \$ 23,427.97  | \$ 23,427.97  | \$ 23,427.97  | \$ 23,427.97  |

| REVENUES  |   | July         | August       | September    | October      | November     | December     |
|---|---|--------------|--------------|--------------|--------------|--------------|--------------|
| 15  | <b>Support Supplies and Resources</b>           |              |              |              |              |              |              |
| 16  | Administrative Computers                        | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 17  | Administrative Software                         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 18  | Administrative Technology Services              | \$ 4,000.00  | \$ 4,000.00  | \$ 4,000.00  | \$ 4,000.00  | \$ 4,000.00  | \$ 4,000.00  |
| 19  | Administration Dues & Fees                      | \$ 291.67    | \$ 291.67    | \$ 291.67    | \$ 291.67    | \$ 291.67    | \$ 291.67    |
| 20  | Operational Supplies                            | \$ 3,000.00  | \$ 3,000.00  | \$ 3,000.00  | \$ 3,000.00  | \$ 3,000.00  | \$ 3,000.00  |
| 21  | Professional Development                        | \$ 4,115.67  | \$ 4,115.67  | \$ 4,115.67  | \$ 4,115.67  | \$ 4,115.67  | \$ 4,115.67  |
| 22  | Other (please describe)                         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| <b>Total Support Supplies and Resources:</b>                |   | \$ 11,407.33 | \$ 11,407.33 | \$ 11,407.33 | \$ 11,407.33 | \$ 11,407.33 | \$ 11,407.33 |
| <b>Governing Board Expenses</b>                             |   |              |              |              |              |              |              |
| 23  | General Board Services                          | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 24  | Legal Services                                  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  |
| 25  | Board Supplies                                  | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 26  | Dues & Fees                                     | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 27  | Other (please describe)                         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| <b>Total Board Expenses:</b>                                |   | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  |
| <b>Purchased or Contracted Services</b>                     |   |              |              |              |              |              |              |
| 28  | Audit Services                                  | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 29  | Payroll Services                                | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 30  | Financial Accounting                            | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 31  | Other Fiscal Services                           | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 32  | Printing, Publishing, Duplicating Services      | \$ 2,000.00  | \$ 2,000.00  | \$ 2,000.00  | \$ 2,000.00  | \$ 2,000.00  | \$ 2,000.00  |
| 33  | Other Professional/Technical Services           | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 34  | Telecommunication Services                      | \$ 4,333.33  | \$ 4,333.33  | \$ 4,333.33  | \$ 4,333.33  | \$ 4,333.33  | \$ 4,333.33  |
| 35  | Insurance                                       | \$ 2,146.25  | \$ 2,146.25  | \$ 2,146.25  | \$ 2,146.25  | \$ 2,146.25  | \$ 2,146.25  |
| 36  | Travel  | \$ 625.00    | \$ 625.00    | \$ 625.00    | \$ 625.00    | \$ 625.00    | \$ 625.00    |
| 37  | Postage   | \$ 250.00    | \$ 250.00    | \$ 250.00    | \$ 250.00    | \$ 250.00    | \$ 250.00    |
| 38  | Special Education Administration                | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 39  | Student Information Services                    | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 40  | Food Services                                   | \$ 20,000.00 | \$ 22,500.00 | \$ 22,500.00 | \$ 22,500.00 | \$ 22,500.00 | \$ 22,500.00 |
| 41  | Contracted Transportation Services              | \$ -         | \$ 32,000.00 | \$ 32,000.00 | \$ 32,000.00 | \$ 32,000.00 | \$ 32,000.00 |
| 42  | Other Transportation Services (please describe) | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         |
| 43  | Promotion Expenses                              | \$ 2,500.00  | \$ 2,500.00  | \$ 2,500.00  | \$ 2,500.00  | \$ 2,500.00  | \$ 2,500.00  |
| 44  | Other (please describe)                         | \$ 9,193.42  | \$ 9,193.42  | \$ 9,193.42  | \$ 9,193.42  | \$ 9,193.42  | \$ 9,193.42  |
| <b>Total Professional Purchased or Contracted Services:</b> |   | \$ 41,048.00 | \$ 75,548.00 | \$ 75,548.00 | \$ 75,548.00 | \$ 75,548.00 | \$ 75,548.00 |

| <b>REVENUES</b>                   |  | <b>July</b>   | <b>August</b> | <b>September</b> | <b>October</b> | <b>November</b> | <b>December</b> |
|-----------------------------------|--|---------------|---------------|------------------|----------------|-----------------|-----------------|
| <b>Facilities Expenses</b>        |  |               |               |                  |                |                 |                 |
| 45                                | Rent of Buildings, Facilities, and Equipment                       | \$ -          | \$ -          | \$ -             | \$ -           | \$ -            | \$ -            |
| 46                                | Purchase of Furniture & Equipment                                  | \$ 1,158.57   | \$ 1,019.08   | \$ 1,019.08      | \$ 1,019.08    | \$ 1,019.08     | \$ 1,019.08     |
| 47                                | Electric/Gas   | \$ 43,833.33  | \$ 43,833.33  | \$ 43,833.33     | \$ 43,833.33   | \$ 43,833.33    | \$ 43,833.33    |
| 48                                | Water & Sewage   | \$ 7,125.00   | \$ 7,125.00   | \$ 7,125.00      | \$ 7,125.00    | \$ 7,125.00     | \$ 7,125.00     |
| 49                                | Repair and Maintenance Services (not provided by school personnel) | \$ 28,166.67  | \$ 28,166.67  | \$ 28,166.67     | \$ 28,166.67   | \$ 28,166.67    | \$ 28,166.67    |
| 50                                | Custodial Services (not provided by school personnel)              | \$ 37,083.33  | \$ 37,083.33  | \$ 37,083.33     | \$ 37,083.33   | \$ 37,083.33    | \$ 37,083.33    |
| 51                                | Waste Disposal   | \$ 833.33     | \$ 833.33     | \$ 833.33        | \$ 833.33      | \$ 833.33       | \$ 833.33       |
| 52                                | Debt Service for Facilities (Principal & Interest)                 | \$ -          | \$ -          | \$ -             | \$ -           | \$ -            | \$ -            |
| 53                                | Debt Service for Equipment (Principal & Interest)                  | \$ -          | \$ -          | \$ -             | \$ -           | \$ -            | \$ -            |
| 54                                | Other (please describe)  | \$ 11,214.92  | \$ 11,214.92  | \$ 11,214.92     | \$ 11,214.92   | \$ 11,214.92    | \$ 11,214.92    |
| <b>Total Facilities Expenses:</b> |  | \$ 129,415.15 | \$ 129,275.67 | \$ 129,275.67    | \$ 129,275.67  | \$ 129,275.67   | \$ 129,275.67   |
| <b>Other Expenses</b>             |  |               |               |                  |                |                 |                 |
| 55                                | Indiana Charter School Board Administrative Fee                    | \$ -          | \$ -          | \$ -             | \$ -           | \$ -            | \$ -            |
| 56                                | CMO/EMO Fee  | \$ 29,166.67  | \$ 29,166.67  | \$ 29,166.67     | \$ 29,166.67   | \$ 29,166.67    | \$ 29,166.67    |
| 57                                | Bank Fees  | \$ 666.67     | \$ 666.67     | \$ 666.67        | \$ 666.67      | \$ 666.67       | \$ 666.67       |
| 58                                | Depreciation Expense   | \$ -          | \$ -          | \$ -             | \$ -           | \$ -            | \$ -            |
| 59                                | Escrow   | \$ -          | \$ -          | \$ -             | \$ -           | \$ -            | \$ -            |
| <b>Total Other Expenses:</b>      |  | \$ 29,833.33  | \$ 29,833.33  | \$ 29,833.33     | \$ 29,833.33   | \$ 29,833.33    | \$ 29,833.33    |
| <b>TOTAL EXPENSES:</b>            |  | \$ 430,271.63 | \$ 514,249.55 | \$ 514,249.55    | \$ 514,249.55  | \$ 514,249.55   | \$ 514,249.55   |
| <b>SURPLUS / (DEFICIT):</b>       |  | \$ 86,602.54  | \$ 31,911.12  | \$ 31,911.12     | \$ 31,911.12   | \$ 31,911.12    | \$ 31,911.12    |

**Footnotes:**

- (1) Unrestricted Federal Revenue Direct from the Federal Government; Restricted Federal Revenue Direct from the Federal Government; Restricted Federal Revenue Through the State, etc.
- (2) Includes Systems Analysis and Planning, Application Development, Systems Operations, Network Support, and Hardware Maintenance and Support.
- (3) Expenses associated with extra-curricular or athletic activities.

**-- Pre-Opening Period**

| January       | February      | March         | April         | May           | June          | Year 0 Totals   |
|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| \$ 380,856.67 | \$ 380,856.67 | \$ 380,856.67 | \$ 380,856.67 | \$ 380,856.67 | \$ 380,856.67 | \$ 4,570,280.00 |
| \$ 133,934.17 | \$ 133,934.17 | \$ 133,934.17 | \$ 133,934.17 | \$ 133,934.17 | \$ 133,934.17 | \$ 1,607,210.00 |
| \$ 514,790.83 | \$ 514,790.83 | \$ 514,790.83 | \$ 514,790.83 | \$ 514,790.83 | \$ 514,790.83 | \$ 6,177,490.00 |
| \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -            |
| \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -            |
| \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  | \$ 2,083.33   | \$ 317,865.00   |
| \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  | \$ 31,369.83  | \$ 2,083.33   | \$ 317,865.00   |
| \$ 546,160.67 | \$ 546,160.67 | \$ 546,160.67 | \$ 546,160.67 | \$ 546,160.67 | \$ 516,874.17 | \$ 6,495,355.00 |
| \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 | \$ 250,119.00 | \$ 2,888,786.00 |
| \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 | \$ 243,757.25 | \$ 250,119.00 | \$ 2,888,786.00 |
| \$ 2,500.00   | \$ 2,500.00   | \$ 2,500.00   | \$ 2,500.00   | \$ 2,500.00   | \$ -          | \$ 25,000.00    |
| \$ 500.00     | \$ 500.00     | \$ 500.00     | \$ 500.00     | \$ 500.00     | \$ -          | \$ 5,000.00     |
| \$ 9,500.00   | \$ 9,500.00   | \$ 9,500.00   | \$ 9,500.00   | \$ 9,500.00   | \$ -          | \$ 95,000.00    |
| \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -            |
| \$ 3,000.00   | \$ 3,000.00   | \$ 3,000.00   | \$ 3,000.00   | \$ 3,000.00   | \$ -          | \$ 30,000.00    |
| \$ 2,473.42   | \$ 2,473.42   | \$ 2,473.42   | \$ 2,473.42   | \$ 2,473.42   | \$ 3,121.65   | \$ 36,999.55    |
| \$ 5,454.55   | \$ 5,454.55   | \$ 5,454.55   | \$ 5,454.55   | \$ 5,454.55   | \$ 10,625.38  | \$ 72,500.45    |
| \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -            |
| \$ 23,427.97  | \$ 23,427.97  | \$ 23,427.97  | \$ 23,427.97  | \$ 23,427.97  | \$ 13,747.03  | \$ 264,500.00   |

| January      | February     | March        | April        | May          | June         | Year 0 Total  |
|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ 4,000.00  | \$ 4,000.00  | \$ 4,000.00  | \$ 4,000.00  | \$ 4,000.00  | \$ 4,000.00  | \$ 48,000.00  |
| \$ 291.67    | \$ 291.67    | \$ 291.67    | \$ 291.67    | \$ 291.67    | \$ 291.67    | \$ 3,500.00   |
| \$ 3,000.00  | \$ 3,000.00  | \$ 3,000.00  | \$ 3,000.00  | \$ 3,000.00  | \$ 3,000.00  | \$ 36,000.00  |
| \$ 4,115.67  | \$ 4,115.67  | \$ 4,115.67  | \$ 4,115.67  | \$ 4,115.67  | \$ 4,115.67  | \$ 49,388.00  |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ 11,407.33 | \$ 11,407.33 | \$ 11,407.33 | \$ 11,407.33 | \$ 11,407.33 | \$ 11,407.33 | \$ 136,888.00 |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 12,000.00  |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 1,000.00  | \$ 12,000.00  |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ 2,000.00  | \$ 2,000.00  | \$ 2,000.00  | \$ 2,000.00  | \$ 2,000.00  | \$ 2,000.00  | \$ 24,000.00  |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ 4,333.33  | \$ 4,333.33  | \$ 4,333.33  | \$ 4,333.33  | \$ 4,333.33  | \$ 4,333.33  | \$ 52,000.00  |
| \$ 2,146.25  | \$ 2,146.25  | \$ 2,146.25  | \$ 2,146.25  | \$ 2,146.25  | \$ 2,146.25  | \$ 25,755.00  |
| \$ 625.00    | \$ 625.00    | \$ 625.00    | \$ 625.00    | \$ 625.00    | \$ 625.00    | \$ 7,500.00   |
| \$ 250.00    | \$ 250.00    | \$ 250.00    | \$ 250.00    | \$ 250.00    | \$ 250.00    | \$ 3,000.00   |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ 22,500.00 | \$ 22,500.00 | \$ 22,500.00 | \$ 22,500.00 | \$ 22,500.00 | \$ 10,000.00 | \$ 255,000.00 |
| \$ 32,000.00 | \$ 32,000.00 | \$ 32,000.00 | \$ 32,000.00 | \$ 32,000.00 | \$ -         | \$ 320,000.00 |
| \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| \$ 2,500.00  | \$ 2,500.00  | \$ 2,500.00  | \$ 2,500.00  | \$ 2,500.00  | \$ 2,500.00  | \$ 30,000.00  |
| \$ 9,193.42  | \$ 9,193.42  | \$ 9,193.42  | \$ 9,193.42  | \$ 9,193.42  | \$ 9,193.42  | \$ 110,321.00 |
| \$ 75,548.00 | \$ 75,548.00 | \$ 75,548.00 | \$ 75,548.00 | \$ 75,548.00 | \$ 31,048.00 | \$ 827,576.00 |

| January       | February      | March         | April         | May           | June          | Year 0 Total    |
|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|
| \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -            |
| \$ 1,019.08   | \$ 1,019.08   | \$ 1,019.08   | \$ 1,019.08   | \$ 1,019.08   | \$ 650.59     | \$ 12,000.00    |
| \$ 43,833.33  | \$ 43,833.33  | \$ 43,833.33  | \$ 43,833.33  | \$ 43,833.33  | \$ 43,833.33  | \$ 526,000.00   |
| \$ 7,125.00   | \$ 7,125.00   | \$ 7,125.00   | \$ 7,125.00   | \$ 7,125.00   | \$ 7,125.00   | \$ 85,500.00    |
| \$ 28,166.67  | \$ 28,166.67  | \$ 28,166.67  | \$ 28,166.67  | \$ 28,166.67  | \$ 28,166.67  | \$ 338,000.00   |
| \$ 37,083.33  | \$ 37,083.33  | \$ 37,083.33  | \$ 37,083.33  | \$ 37,083.33  | \$ 37,083.33  | \$ 445,000.00   |
| \$ 833.33     | \$ 833.33     | \$ 833.33     | \$ 833.33     | \$ 833.33     | \$ 833.33     | \$ 10,000.00    |
| \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -            |
| \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -            |
| \$ 11,214.92  | \$ 11,214.92  | \$ 11,214.92  | \$ 11,214.92  | \$ 11,214.92  | \$ 11,214.92  | \$ 134,579.00   |
| \$ 129,275.67 | \$ 129,275.67 | \$ 129,275.67 | \$ 129,275.67 | \$ 129,275.67 | \$ 128,907.18 | \$ 1,551,079.00 |
| \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -            |
| \$ 29,166.67  | \$ 29,166.67  | \$ 29,166.67  | \$ 29,166.67  | \$ 29,166.67  | \$ 29,166.67  | \$ 350,000.00   |
| \$ 666.67     | \$ 666.67     | \$ 666.67     | \$ 666.67     | \$ 666.67     | \$ 666.67     | \$ 8,000.00     |
| \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -            |
| \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          | \$ -            |
| \$ 29,833.33  | \$ 29,833.33  | \$ 29,833.33  | \$ 29,833.33  | \$ 29,833.33  | \$ 29,833.33  | \$ 358,000.00   |
| \$ 514,249.55 | \$ 514,249.55 | \$ 514,249.55 | \$ 514,249.55 | \$ 514,249.55 | \$ 466,061.88 | \$ 6,038,829.00 |
| \$ 31,911.12  | \$ 31,911.12  | \$ 31,911.12  | \$ 31,911.12  | \$ 31,911.12  | \$ 50,812.29  | \$ 456,526.00   |

## Expected New School Annual Operating Budget

School Name: **Thomas Carr Howe Community School**  
 Planned Opening Year: **2021**

**Special Instructions for Schools Contracting with a Management Company:**

Please include a note in the assumptions column and budget narrative if any of the listed amounts include additional service, consulting, fee (CMO/EMO fee). For example, you should note any additional fees for instructional or support supplies and resources; license fees for material whether your facility is leased or purchased from a management company or affiliate of a management company.

| REVENUES                                |  | Year 0                 | Year 1                 | Year 2                 |
|---|--|------------------------|------------------------|------------------------|
| <b>State Revenues - See Footnotes</b>   |  |                        |                        |                        |
| 1                                       | State Tuition Support - From Tab 2 (1)           |                        | \$ 5,329,766.00        | \$ 6,451,822.00        |
| 2                                       | State Matching Funds for School Lunch Program    |                        | \$ 401,111.22          | \$ 495,266.80          |
| 3                                       | Professional Development Grant                   |                        | \$ -                   | \$ -                   |
| 4                                       | Technology Grants                                |                        | \$ -                   | \$ -                   |
| 5                                       | Remediation/Preventive Remediation Programs      |                        | \$ -                   | \$ -                   |
| 6                                       | Gifted and Talented Program                      |                        | \$ -                   | \$ -                   |
| 7                                       | Textbook Reimbursement                           |                        | \$ -                   | \$ -                   |
| 8                                       | Summer School                                    |                        | \$ -                   | \$ -                   |
| 9                                       | Charter and Innovation Network School Grant (2)  |                        | \$ 380,000.00          | \$ 460,000.00          |
| 10                                      | Charter and Innovation Network School Advance    |                        | \$ -                   | \$ -                   |
| 12                                      | Formative Assessment Grant                       |                        | \$ -                   | \$ -                   |
| 13                                      | Performance Based Awards                         |                        | \$ -                   | \$ -                   |
| 14                                      | Other State Revenue (please describe)            |                        | \$ -                   | \$ -                   |
| 15                                      | Special Education Grant                          |                        | \$ -                   | \$ -                   |
| 16                                      | Special Education Preschool                      |                        | \$ -                   | \$ -                   |
| <b>Total State Revenues:</b>            |  |                        | <b>\$ 6,110,877.22</b> | <b>\$ 7,407,088.80</b> |
| <b>Federal Revenues - See Footnotes</b> |  |                        |                        |                        |
| 17                                      | Public Charter School Program Grant (3)          | \$ 4,570,280.00        | \$ -                   | \$ -                   |
| 18                                      | Charter Facilities Assistance Program Grant      |                        | \$ -                   | \$ -                   |
| 19                                      | IDEA- Part B Grant (Special Education)           |                        | \$ 141,500.01          | \$ 141,500.01          |
| 20                                      | Title I  |                        | \$ 426,672.99          | \$ 426,672.99          |
| 21                                      | Title II   |                        | \$ 116,320.00          | \$ 116,320.00          |
| 22                                      | Federal Lunch Program                            |                        | \$ -                   | \$ -                   |
| 23                                      | Federal Breakfast Reimbursement                  |                        | \$ -                   | \$ -                   |
| 24                                      | Other Federal Revenue (please describe) (4)      | \$ 1,607,210.00        | \$ -                   | \$ -                   |
| <b>Total Federal Revenues:</b>          |  | <b>\$ 6,177,490.00</b> | <b>\$ 684,493.00</b>   | <b>\$ 684,493.00</b>   |
| <b>Other Revenues</b>                   |  |                        |                        |                        |
| 25                                      | Contributions and Donations from Private Sources | \$ -                   | \$ -                   | \$ -                   |
| 26                                      | Student and Adult Fees                           |                        | \$ -                   | \$ -                   |
| 27                                      | Other Fees                                       |                        | \$ -                   | \$ -                   |
| 28                                      | Interest Income                                  | \$ -                   | \$ -                   | \$ -                   |
| 29                                      | Other Revenue (please describe)                  | \$ 317,865.00          | \$ 25,500.00           | \$ 155,046.44          |
| <b>Total Other Revenues:</b>            |  | <b>\$ 317,865.00</b>   | <b>\$ 25,500.00</b>    | <b>\$ 155,046.44</b>   |
| <b>TOTAL REVENUES:</b>                  |  | <b>\$ 6,495,355.00</b> | <b>\$ 6,820,870.22</b> | <b>\$ 8,246,628.24</b> |

| EXPENSES   |  |                        |                        |                        |
|--|--|------------------------|------------------------|------------------------|
| <b>Administrative Staff - See Footnotes</b>            |  |                        |                        |                        |
| 30   | Executive Administration: Office of Superintendent (5) | \$ 102,000.00          | \$ 104,040.00          |                        |
| 31   | School Administration: Office of the Principal (6)     | \$ 155,499.00          | \$ 158,608.98          |                        |
| 32   | Other School Administration (please describe) (7)      | \$ -                   | \$ -                   |                        |
| 33   | Business Manager/Director of Finance                   | \$ -                   | \$ -                   |                        |
| <b>Total Administrative Staff:</b>                     |  | <b>\$ 257,499.00</b>   | <b>\$ 262,648.98</b>   |                        |
| <b>Instructional Staff - See Footnotes</b>             |  |                        |                        |                        |
| 34   | Teachers - Regular (8)                                 | \$ 1,067,774.16        | \$ 1,352,023.00        |                        |
| 35   | Teachers - Special Education                           | \$ 209,437.39          | \$ 213,626.13          |                        |
| 36   | Substitutes, Assistants, Paraprofessionals, Aides      | \$ 153,007.77          | \$ 163,657.11          |                        |
| 37   | Summer School Staff                                    | \$ -                   | \$ -                   |                        |
| <b>Total Instructional Staff:</b>                      |  | <b>\$ 1,430,219.31</b> | <b>\$ 1,729,306.25</b> |                        |
| <b>Non-Instructional/Support Staff - See Footnotes</b> |  |                        |                        |                        |
| 38   | Social Workers, Guidance Counselors, Therapists (9)    | \$ 142,104.89          | \$ 144,946.99          |                        |
| 39   | Other Support Staff (please describe) (10)             | \$ 285,319.59          | \$ 283,062.56          |                        |
| 40   | Nurse Services   | \$ 23,378.40           | \$ 23,845.97           |                        |
| 41   | Instructional Support Staff (11)                       | \$ 229,395.30          | \$ 234,357.42          |                        |
| 42   | Librarian  | \$ -                   | \$ -                   |                        |
| 43   | Technology Support                                     | \$ -                   | \$ -                   |                        |
| 44   | Maintenance of Buildings, Grounds, Equipment           | \$ -                   | \$ -                   |                        |
| 45   | Security   | \$ -                   | \$ -                   |                        |
| 46   | Athletic Coaches                                       | \$ -                   | \$ -                   |                        |
| <b>Total Non-Instructional/Support Staff:</b>          |  | <b>\$ 680,198.18</b>   | <b>\$ 686,212.93</b>   |                        |
| <b>Subtotal Wages and Salaries:</b>                    |  | <b>\$ 2,367,916.49</b> | <b>\$ 2,678,168.16</b> |                        |
| <b>Payroll Taxes and Benefits - See Footnotes</b>      |  |                        |                        |                        |
| 47   | Social Security/Unemployment (12)                      | \$ 240,343.52          | \$ 271,834.07          |                        |
| 48   | Other Insurance (13)                                   | \$ 328,063.94          | \$ 374,229.34          |                        |
| 49   | Retirement / Pension (14)                              | \$ -                   | \$ -                   |                        |
| 50   | Other Employee Benefits (15)                           | \$ -                   | \$ -                   |                        |
| <b>Total Payroll Taxes and Benefits:</b>               |  | <b>\$ 2,888,786.00</b> | <b>\$ 568,407.46</b>   | <b>\$ 646,063.40</b>   |
| <b>Total Personnel Expenses:</b>                       |  | <b>\$ 2,888,786.00</b> | <b>\$ 2,936,323.95</b> | <b>\$ 3,324,231.56</b> |

| <b>Instructional Supplies and Resources - See Footnotes</b> |   |                      |                      |                      |
|---|---|----------------------|----------------------|----------------------|
| 51  | Textbooks                                       | \$ 25,000.00         | \$ 34,240.28         | \$ 42,277.74         |
| 52  | Library/Media Services (Other than Staff)       | \$ 5,000.00          | \$ 5,100.00          | \$ 5,202.00          |
| 53  | Instructional Supplies                          | \$ 95,000.00         | \$ 148,372.10        | \$ 179,932.76        |
| 54  | Technology Supporting Instruction (16)          | \$ -                 | \$ -                 | \$ -                 |
| 55  | Student Assessment                              | \$ 30,000.00         | \$ 6,848.06          | \$ 8,455.55          |
| 56  | Computers used for Instruction                  | \$ 36,999.55         | \$ 88,400.00         | \$ 38,400.00         |
| 57  | Instructional Software                          | \$ 72,500.45         | \$ 82,176.68         | \$ 101,466.57        |
| 58  | Enrichment Programs (17)                        | \$ -                 | \$ -                 | \$ -                 |
| <b>Total Instructional Supplies and Resources:</b>          |   | <b>\$ 264,500.00</b> | <b>\$ 365,137.12</b> | <b>\$ 375,734.62</b> |
| <b>Support Supplies and Resources</b>                       |   |                      |                      |                      |
| 59  | Administrative Computers                        | \$ -                 | \$ -                 | \$ -                 |
| 60  | Administrative Software                         | \$ -                 | \$ -                 | \$ -                 |
| 61  | Administrative Technology Services              | \$ 48,000.00         | \$ 76,760.00         | \$ 92,920.00         |
| 62  | Administration Dues & Fees                      | \$ 3,500.00          | \$ 3,570.00          | \$ 3,641.40          |
| 64  | Operational Supplies                            | \$ 36,000.00         | \$ 36,720.00         | \$ 37,454.40         |
| 65  | Professional Development                        | \$ 49,388.00         | \$ 50,375.76         | \$ 51,383.28         |
| 66  | Other (please describe)                         | \$ -                 | \$ 34,140.50         | \$ 42,131.90         |
| <b>Total Support Supplies and Resources:</b>                |   | <b>\$ 136,888.00</b> | <b>\$ 201,566.26</b> | <b>\$ 227,530.98</b> |
| <b>Governing Board Expenses</b>                             |   |                      |                      |                      |
| 67  | General Board Services                          | \$ -                 | \$ -                 | \$ -                 |
| 69  | Legal Services                                  | \$ 12,000.00         | \$ 12,240.00         | \$ 12,484.80         |
| 70  | Board Supplies                                  | \$ -                 | \$ -                 | \$ -                 |
| 67  | Dues & Fees                                     | \$ -                 | \$ -                 | \$ -                 |
| 68  | Other (please describe)                         | \$ -                 | \$ -                 | \$ -                 |
| <b>Total Board Expenses:</b>                                |   | <b>\$ 12,000.00</b>  | <b>\$ 12,240.00</b>  | <b>\$ 12,484.80</b>  |
| <b>Purchased or Contracted Services</b>                     |   |                      |                      |                      |
| 69  | Audit Services                                  | \$ -                 | \$ 13,000.00         | \$ 13,260.00         |
| 70  | Payroll Services                                | \$ -                 | \$ -                 | \$ -                 |
| 71  | Financial Accounting                            | \$ -                 | \$ -                 | \$ -                 |
| 72  | Other Fiscal Services                           | \$ -                 | \$ -                 | \$ -                 |
| 73  | Printing, Publishing, Duplicating Services      | \$ 24,000.00         | \$ 24,480.00         | \$ 24,969.60         |
| 74  | Other Professional/Technical Services           | \$ -                 | \$ -                 | \$ -                 |
| 75  | Telecommunication Services                      | \$ 52,000.00         | \$ 53,040.00         | \$ 54,100.80         |
| 76  | Insurance                                       | \$ 25,755.00         | \$ 28,881.33         | \$ 31,655.62         |
| 77  | Travel  | \$ 7,500.00          | \$ 7,650.00          | \$ 7,803.00          |
| 78  | Postage   | \$ 3,000.00          | \$ 3,060.00          | \$ 3,121.20          |
| 79  | Special Education Administration                | \$ -                 | \$ -                 | \$ -                 |
| 80  | Student Information Services                    | \$ -                 | \$ -                 | \$ -                 |
| 81  | Food Services                                   | \$ 255,000.00        | \$ 349,250.88        | \$ 431,232.93        |
| 82  | Contracted Transportation Services              | \$ 320,000.00        | \$ 326,400.00        | \$ 332,928.00        |
| 83  | Other Transportation Services (please describe) | \$ -                 | \$ -                 | \$ -                 |
| 84  | Promotion Expenses                              | \$ 30,000.00         | \$ 30,000.00         | \$ 30,000.00         |
| 85  | Other (please describe)                         | \$ 110,321.00        | \$ 52,040.00         | \$ 52,080.80         |
| <b>Total Professional Purchased or Contracted Services:</b> |   | <b>\$ 827,576.00</b> | <b>\$ 887,802.22</b> | <b>\$ 981,151.95</b> |

| <b>Facilities Expenses</b>            |  |                        |                        |                        |
|---------------------------------------|--|------------------------|------------------------|------------------------|
| 86                                    | Rent of Buildings, Facilities, and Equipment                       | \$ -                   | \$ -                   | \$ -                   |
| 87                                    | Purchase of Furniture & Equipment                                  | \$ 12,000.00           | \$ 30,000.00           | \$ 49,000.00           |
| 88                                    | Electric/Gas   | \$ 526,000.00          | \$ 536,520.00          | \$ 547,250.40          |
| 89                                    | Water & Sewage   | \$ 85,500.00           | \$ 87,210.00           | \$ 88,954.20           |
| 90                                    | Repair and Maintenance Services (not provided by school personnel) | \$ 338,000.00          | \$ 344,760.00          | \$ 351,655.20          |
| 91                                    | Custodial Services (not provided by school personnel)              | \$ 445,000.00          | \$ 453,900.00          | \$ 462,978.00          |
| 92                                    | Waste Disposal   | \$ 10,000.00           | \$ 10,200.00           | \$ 10,404.00           |
| 93                                    | Debt Service for Facilities (Principal & Interest)                 | \$ -                   | \$ -                   | \$ -                   |
| 94                                    | Debt Service for Equipment (Principal & Interest)                  | \$ -                   | \$ -                   | \$ -                   |
| 95                                    | Other (please describe)  | \$ 134,579.00          | \$ 259,493.49          | \$ 270,406.37          |
| <b>Total Facilities Expenses:</b>     |  | <b>\$ 1,551,079.00</b> | <b>\$ 1,722,083.49</b> | <b>\$ 1,780,648.17</b> |
| <b>Other Expenses - See Footnotes</b> |  |                        |                        |                        |
| 96                                    | ICSB Administrative Fee - From Tab 2 (18)                          | \$ -                   | \$ 10,168.80           | \$ 24,619.20           |
| 97                                    | CMO/EMO Fee (19)   | \$ 350,000.00          | \$ 341,043.51          | \$ 824,662.82          |
| 98                                    | Bank Fees  | \$ 8,000.00            | \$ 8,160.00            | \$ 8,323.20            |
| 99                                    | Depreciation Expense   | \$ -                   | \$ -                   | \$ -                   |
| 100                                   | Required Escrow (20)   | \$ -                   | \$ -                   | \$ -                   |
| <b>Total Other Expenses:</b>          |  | <b>\$ 358,000.00</b>   | <b>\$ 359,372.31</b>   | <b>\$ 857,605.22</b>   |
| <b>TOTAL EXPENSES:</b>                |  | <b>\$ 6,038,829.00</b> | <b>\$ 6,484,525.34</b> | <b>\$ 7,559,387.31</b> |
| <b>SURPLUS / (DEFICIT):</b>           |  | <b>\$ 456,526.00</b>   | <b>\$ 336,344.87</b>   | <b>\$ 687,240.93</b>   |

**Footnotes:**

- (1) The foundation amount for all charter schools in FY2019 is \$5,352, regardless of corporation of legal settlement. Students in Full Day Kinder
- (2) For the 2018-19 FY, new charter schools are entitled to \$500 per student to be used for capital, technology, and transportation costs. Subse more details.
- (3) This is a competitive grant. Funding is not guaranteed. The funding for the PCSP grant is distributed through a reimbursement process. Cont
- (4) Unrestricted Federal Revenue Direct from the Federal Government; Restricted Federal Revenue Direct from the Federal Government; Restr
- (5) Includes the Head of School, School Leader, Executive Director, Chief Executive Officer, as well as associate or assistant executive positions
- (6) Includes Vice- and Assistant Principals.
- (7) Includes Chief Academic Officers; Directors, Deans, and Coordinators of: Curriculum, Instruction, Faculty, Students, Assessment, Student Af
- (8) SBOA/Form 9 Classification of teachers is as follows. Expenditure Accounts: Preschool - 11025; Full Day Kindergarten - 11050; Elementary Sc Certified Salaries - 120; (Temporary) Licensed Employees - 135; (Temporary) Non-Licensed Employees - 136; Stipends - 131; and (Temporary or
- (9) Includes Social Workers; Counselors; Psychologists; and Speech, Occupational, and Physical Therapists.
- (10) Secretary; Receptionist; Attendance Clerk; Office Manager, Cafeteria Worker, and other full or part-time employees not specifically descri
- (11) Includes Staffing for Instruction and Curriculum Development, Instructional Staff Training, etc.
- (12) Social Security for both Certified and Uncertified Workers.
- (13) Includes Group Life Insurance, Group Health Insurance, Group Accident Insurance, Other Authorized Group Insurance, and Workers Comp
- (14) Includes Severance/Early Retirement Pay, Public Employees Retirement Fund, Teachers Retirement Fund, Public Employees Retirement Fu
- (15) Any other non-taxable benefits not otherwise classified above.
- (16) Includes Systems Analysis and Planning, Application Development, Systems Operations, Network Support, and Hardware Maintenance an
- (17) Expenses associated with extra-curricular or athletic activities.
- (18) One half percent (0.5%) of the Basic/Adult Learner Grant amount.
- (19) Include only those fees (per-pupil, contingent, or fixed) paid to a management company for educational or management services and des management company must be accounted for elsewhere in this worksheet.
- (20) Schools are required to maintain an account in reserve to cover expenses for school closing. \$10,000 should be placed in reserve starting



|               |               |               |  |
|---------------|---------------|---------------|--|
| \$ 106,120.80 | \$ 108,243.22 | \$ 110,408.08 |  |
| \$ 161,781.16 | \$ 165,016.78 | \$ 168,317.12 |  |
| \$ -          | \$ -          | \$ -          |  |
| \$ -          | \$ -          | \$ -          |  |

|                      |                      |                      |  |
|----------------------|----------------------|----------------------|--|
| <b>\$ 267,901.96</b> | <b>\$ 273,260.00</b> | <b>\$ 278,725.20</b> |  |
|----------------------|----------------------|----------------------|--|

|                 |                 |                 |  |
|-----------------|-----------------|-----------------|--|
| \$ 1,647,214.69 | \$ 1,914,599.77 | \$ 1,952,891.77 |  |
| \$ 217,898.66   | \$ 222,256.63   | \$ 226,701.76   |  |
| \$ 174,349.17   | \$ 183,868.59   | \$ 186,135.15   |  |
| \$ -            | \$ -            | \$ -            |  |

|                        |                        |                        |  |
|------------------------|------------------------|------------------------|--|
| <b>\$ 2,039,462.52</b> | <b>\$ 2,320,724.99</b> | <b>\$ 2,365,728.68</b> |  |
|------------------------|------------------------|------------------------|--|

|               |               |               |                                       |
|---------------|---------------|---------------|---------------------------------------|
| \$ 147,845.93 | \$ 150,802.85 | \$ 153,818.90 |                                       |
| \$ 280,954.10 | \$ 280,213.38 | \$ 407,660.52 |                                       |
| \$ 24,322.89  | \$ 24,809.35  | \$ 25,305.53  |                                       |
| \$ 239,395.35 | \$ 244,510.62 | \$ 248,533.56 | <b>Resource Teachers &amp; Tutors</b> |
| \$ -          | \$ -          | \$ -          |                                       |
| \$ -          | \$ -          | \$ -          |                                       |
| \$ -          | \$ -          | \$ -          |                                       |
| \$ -          | \$ -          | \$ -          |                                       |
| \$ -          | \$ -          | \$ -          |                                       |

|                      |                      |                      |  |
|----------------------|----------------------|----------------------|--|
| <b>\$ 692,518.26</b> | <b>\$ 700,336.19</b> | <b>\$ 835,318.52</b> |  |
|----------------------|----------------------|----------------------|--|

|                        |                        |                        |  |
|------------------------|------------------------|------------------------|--|
| <b>\$ 2,999,882.74</b> | <b>\$ 3,294,321.18</b> | <b>\$ 3,479,772.40</b> |  |
|------------------------|------------------------|------------------------|--|

|               |               |               |  |
|---------------|---------------|---------------|--|
| \$ 304,488.10 | \$ 334,373.60 | \$ 353,196.90 |  |
| \$ 500,792.43 | \$ 559,012.63 | \$ 576,550.06 |  |
| \$ -          | \$ -          | \$ -          |  |
| \$ -          | \$ -          | \$ -          |  |

|                      |                      |                      |  |
|----------------------|----------------------|----------------------|--|
| <b>\$ 805,280.53</b> | <b>\$ 893,386.23</b> | <b>\$ 929,746.96</b> |  |
|----------------------|----------------------|----------------------|--|

|                        |                        |                        |  |
|------------------------|------------------------|------------------------|--|
| <b>\$ 3,805,163.27</b> | <b>\$ 4,187,707.41</b> | <b>\$ 4,409,519.36</b> |  |
|------------------------|------------------------|------------------------|--|

|               |               |               |  |
|---------------|---------------|---------------|--|
| \$ 50,623.00  | \$ 71,142.18  | \$ 91,712.83  |  |
| \$ 5,306.04   | \$ 5,412.16   | \$ 5,520.40   |  |
| \$ 212,696.51 | \$ 244,853.24 | \$ 256,831.25 |  |
| \$ -          | \$ -          | \$ -          |  |
| \$ 10,124.60  | \$ 11,857.03  | \$ 12,737.89  |  |
| \$ 38,400.00  | \$ 38,400.00  | \$ 38,400.00  |  |
| \$ 121,495.19 | \$ 142,284.37 | \$ 152,854.72 |  |
| \$ -          | \$ -          | \$ -          |  |

|                      |                      |                      |  |
|----------------------|----------------------|----------------------|--|
| <b>\$ 438,645.33</b> | <b>\$ 513,948.99</b> | <b>\$ 558,057.10</b> |  |
|----------------------|----------------------|----------------------|--|

|               |               |               |  |
|---------------|---------------|---------------|--|
| \$ -          | \$ -          | \$ -          |  |
| \$ -          | \$ -          | \$ -          |  |
| \$ 109,080.00 | \$ 125,240.00 | \$ 131,906.00 |  |
| \$ 3,714.23   | \$ 3,788.51   | \$ 3,864.28   |  |
| \$ 38,203.49  | \$ 38,967.56  | \$ 39,746.91  |  |
| \$ 52,410.94  | \$ 53,459.16  | \$ 54,528.34  |  |
| \$ 50,429.31  | \$ 59,041.75  | \$ 63,416.21  | <i>Contracted Special Education Services</i> |

|                      |                      |                      |  |
|----------------------|----------------------|----------------------|--|
| <b>\$ 253,837.96</b> | <b>\$ 280,496.98</b> | <b>\$ 293,461.75</b> |  |
|----------------------|----------------------|----------------------|--|

|              |              |              |  |
|--------------|--------------|--------------|--|
| \$ -         | \$ -         | \$ -         |  |
| \$ 12,734.50 | \$ 12,989.19 | \$ 13,248.97 |  |
| \$ -         | \$ -         | \$ -         |  |
| \$ -         | \$ -         | \$ -         |  |
| \$ -         | \$ -         | \$ -         |  |

|                     |                     |                     |  |
|---------------------|---------------------|---------------------|--|
| <b>\$ 12,734.50</b> | <b>\$ 12,989.19</b> | <b>\$ 13,248.97</b> |  |
|---------------------|---------------------|---------------------|--|

|               |               |               |   |
|---------------|---------------|---------------|---|
| \$ 13,525.20  | \$ 13,795.70  | \$ 14,071.62  |   |
| \$ -          | \$ -          | \$ -          |   |
| \$ -          | \$ -          | \$ -          |   |
| \$ -          | \$ -          | \$ -          |   |
| \$ 25,468.99  | \$ 25,978.37  | \$ 26,497.94  |   |
| \$ -          | \$ -          | \$ -          |   |
| \$ 55,182.82  | \$ 56,286.47  | \$ 57,412.20  |   |
| \$ 34,529.33  | \$ 37,505.32  | \$ 39,217.01  |   |
| \$ 7,959.06   | \$ 8,118.24   | \$ 8,280.61   |   |
| \$ 3,183.62   | \$ 3,247.30   | \$ 3,312.24   |   |
| \$ -          | \$ -          | \$ -          |   |
| \$ -          | \$ -          | \$ -          |   |
| \$ 516,354.56 | \$ 300,585.35 | \$ 300,585.35 |   |
| \$ 339,586.56 | \$ 346,378.29 | \$ 353,305.86 |   |
| \$ -          | \$ -          | \$ -          |   |
| \$ 30,000.00  | \$ 30,000.00  | \$ 30,000.00  |   |
| \$ 52,122.42  | \$ 52,164.86  | \$ 52,208.16  | <i>Staff Recruitment and Licenses &amp; Permits</i> |

|                        |                      |                      |  |
|------------------------|----------------------|----------------------|--|
| <b>\$ 1,077,912.56</b> | <b>\$ 874,059.91</b> | <b>\$ 884,890.99</b> |  |
|------------------------|----------------------|----------------------|--|

|               |               |               |  |
|---------------|---------------|---------------|--|
| \$ -          | \$ -          | \$ -          |  |
| \$ 49,000.00  | \$ 49,000.00  | \$ 49,000.00  |  |
| \$ 558,195.41 | \$ 569,359.32 | \$ 580,746.50 |  |
| \$ 90,733.28  | \$ 92,547.95  | \$ 94,398.91  |  |
| \$ 358,688.30 | \$ 365,862.07 | \$ 373,179.31 |  |
| \$ 472,237.56 | \$ 481,682.31 | \$ 491,315.96 |  |
| \$ 10,612.08  | \$ 10,824.32  | \$ 11,040.81  |  |
| \$ -          | \$ -          | \$ -          |  |
| \$ -          | \$ -          | \$ -          |  |
| \$ 214,420.73 | \$ 221,876.23 | \$ 91,136.14  | <b>Pest Control &amp; Contracted Security, Recruitment, Other Exp.</b> |

|                        |                        |                        |
|------------------------|------------------------|------------------------|
| <b>\$ 1,753,887.37</b> | <b>\$ 1,791,152.20</b> | <b>\$ 1,690,817.63</b> |
|------------------------|------------------------|------------------------|

|               |                 |                 |
|---------------|-----------------|-----------------|
| \$ 28,900.80  | \$ 33,182.40    | \$ 34,948.56    |
| \$ 918,391.40 | \$ 1,063,425.04 | \$ 1,137,195.19 |
| \$ 8,489.66   | \$ 8,659.46     | \$ 8,832.65     |
| \$ -          | \$ -            | \$ -            |
| \$ -          | \$ -            | \$ -            |

**Capital purchases already expensed - deducted on lines 56 & 87 - deprecia**

|                      |                        |                        |
|----------------------|------------------------|------------------------|
| <b>\$ 955,781.87</b> | <b>\$ 1,105,266.90</b> | <b>\$ 1,180,976.40</b> |
|----------------------|------------------------|------------------------|

|                        |                        |                        |
|------------------------|------------------------|------------------------|
| <b>\$ 8,297,962.86</b> | <b>\$ 8,765,621.57</b> | <b>\$ 9,030,972.19</b> |
|------------------------|------------------------|------------------------|

|                      |                        |                        |
|----------------------|------------------------|------------------------|
| <b>\$ 885,951.16</b> | <b>\$ 1,868,628.82</b> | <b>\$ 2,340,979.74</b> |
|----------------------|------------------------|------------------------|

ergarten are treated as 1 student, 1/2 day kindergarten is treated as 0.5 for purposes of ADM.  
quent awards depend on continued funding of the grant in the biennial budget. See IC 20-24-13 for additional criteria and

act IDOE's Office of Title Grants and Support for more information.  
icted Federal Revenue Through the State, etc.

fairs, Student Achievement, and similar positions.  
:hool - 11100; Middle/Junior High School - 11200; and High School - 11300. Object Accounts: Certified Salaries - 110; Non-  
Permanent) Overtime Salaries - 140.

bed.

ensation Insurance (does not include Unemployment Insurance).  
nd (Optional Contribution), Teacher Retirement Fund (Optional Contribution).

d Support.

cribe how the fee is calculated in the budget narrative. All other amounts paid to a management company or affiliate of the  
in year 2 with a balance of \$30,000 by year 4.

Attachment 9  
Audited Financial  
Statements

# Thomas Carr Howe Community High School

A Division of the Indiana Department of Education

Basic Financial Statements  
For the Year Ended June 30, 2017

# Thomas Carr Howe Community High School

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## Thomas Carr Howe Community High School

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## INDEPENDENT AUDITOR'S REPORT

To the Office of Education Innovation  
Thomas Carr Howe Community High School  
A Division of the Indiana Department of Education  
Indianapolis, Indiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Thomas Carr Howe Community High School (the "School"), a Division of the Indiana Department of Education, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

CPA's + Trusted Advisors

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules related to pensions and budgetary comparison information on pages 4 through 7 and 23 through 29 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The combining and individual nonmajor fund financial schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepting in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The combining and individual nonmajor fund financial schedule is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2018, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
March 16, 2018

# MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Thomas Carr Howe Community High School (the "School"), a Division of the Indiana Department of Education, we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School for the year ended June 30, 2017 and 2016.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide, in layman's terms, the current position of the School's financial condition. This summary should not be taken as a replacement for the audit which consists of the basic financial statements.

### **Financial Highlights**

For the fiscal year ended June 30, 2017, total assets and deferred outflows were \$ 1,440,920, total liabilities and deferred inflows were \$ 1,114,162, and total net position was \$ 326,758. For the fiscal year ended June 30, 2016, total assets and deferred outflows were \$ 1,706,178, total liabilities were \$ 1,434,561, and total net position was \$ 271,617.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

**Government-Wide Basic Financial Statements:** The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of the School's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected revenues and services rendered but unpaid).

The government-wide financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

The government-wide basic financial statements can be found on pages 8 and 9 of this report.

**Fund Basic Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide basic financial statements, governmental fund basic financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains several individual governmental funds. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balances. The General Fund, Title I - School Improvement Grant Fund and Title I Fund are considered to be the School's major funds.

The School adopts an annual budget for its governmental funds. A budgetary comparison schedule has been provided to demonstrate compliance with the budget.

The governmental fund financial statements can be found on pages 10 and 11 of this report.

**Agency Fund:** In addition, the School has one Agency Fund which is a student activity fund. This fund is formed for education and school purposes.

The Agency Fund financial statement can be found on page 12 of this report. The assets and liabilities of this fund are not included in the government-wide statement of net position.

**Notes to Basic Financial Statements:** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 13 through 22 of this report.

### **Government-Wide Financial Analysis**

The School's net position was \$ 326,758 at June 30, 2017. The amount of \$ 498,386 represents net investment in capital assets and \$ (171,628) represents unrestricted net position (deficit). The School's net position was \$ 271,617 at June 30, 2016, which represents net investment in capital assets of \$ 436,456 and unrestricted position (deficit) of \$ (164,839).

**Thomas Carr Howe Community High School  
Management's Discussion and Analysis  
June 30, 2017**

Our analysis in the table below focuses on the net position of the School's governmental activities:

**Thomas Carr Howe Community High School  
Net Position**

|                                       | <u>June 30,<br/>2017</u> | <u>June 30,<br/>2016</u> |
|---------------------------------------|--------------------------|--------------------------|
| <b>Assets:</b>                        |                          |                          |
| Current and other assets              | \$ 754,919               | \$ 1,110,192             |
| Capital assets, net of depreciation   | 498,386                  | 436,456                  |
| Total assets                          | <u>1,253,305</u>         | <u>1,546,648</u>         |
| <b>Deferred Outflows of Resources</b> | <u>187,615</u>           | <u>159,530</u>           |
| <b>Liabilities:</b>                   |                          |                          |
| Current liabilities                   | 778,696                  | 1,133,624                |
| Noncurrent liabilities                | 332,981                  | 296,014                  |
| Total liabilities                     | <u>1,111,677</u>         | <u>1,429,638</u>         |
| <b>Deferred Inflows of Resources</b>  | <u>2,485</u>             | <u>4,923</u>             |
| <b>Net Position:</b>                  |                          |                          |
| Net investment in capital assets      | 498,386                  | 436,456                  |
| Unrestricted (deficit)                | <u>(171,628)</u>         | <u>(164,839)</u>         |
| Total net position                    | <u>\$ 326,758</u>        | <u>\$ 271,617</u>        |

***Governmental Activities***

The results of this year's operations for the School as a whole are reported in the statement of activities on page 9. The following table provides a condensed presentation of the School's revenues and expenses for the year ended June 30, 2017 and 2016:

**Thomas Carr Howe Community High School  
Change in Net Position**

|  | <u>June 30,<br/>2017</u> | <u>June 30,<br/>2016</u> |
|--|--------------------------|--------------------------|
| <b>Revenues:</b>                       |                          |                          |
| General revenues:                      |                          |                          |
| State aid unrestricted                 | \$ 3,675,492             | \$ 3,604,015             |
| Miscellaneous income                   | 116,609                  | 77,531                   |
| Program revenues:                      |                          |                          |
| Charges for services                   | 63,787                   | 64,273                   |
| Operating grants and contributions     | 2,616,663                | 2,973,427                |
| Total revenues                         | <u>6,472,551</u>         | <u>6,719,246</u>         |
| <b>Functions/Program Expenses:</b>     |                          |                          |
| Costs of school operations             | 6,150,578                | 6,570,890                |
| Food services                          | 266,832                  | 229,420                  |
| Total governmental activities          | <u>6,417,410</u>         | <u>6,800,310</u>         |
| Change in net position                 | 55,141                   | (81,064)                 |
| <b>Net position, beginning of year</b> | <u>271,617</u>           | <u>352,681</u>           |
| <b>Net position, end of year</b>       | <u>\$ 326,758</u>        | <u>\$ 271,617</u>        |

As reported in the statement of activities, the cost of governmental activities was \$ 6,417,410. These activities were primarily funded by the School's state aid and governments that subsidized certain programs with grants.

### **Fund Financial Statements**

Governmental Funds - The School's instruction and support services activities are reported in the General Fund, Title I - School Improvement Grant Fund, and the nonmajor special revenue funds. The governmental funds are reported on a modified accrual basis. Only those assets that are "measurable" and "currently available" are reported. Liabilities are recognized when incurred.

### **Capital Assets**

At June 30, 2017, the School had capital assets of \$ 498,386, net of accumulated depreciation, invested in computer equipment and furniture and equipment. A detailed schedule is on page 17 in the notes to the basic financial statements.

### **Budgetary Highlights**

The School's enrollment was higher than budget by approximately 85 students. The higher enrollment, along with a higher than anticipated rate per student, resulted in higher than budgeted state source revenue of about \$ 1.1 million. Because of the higher enrollment and rate per student, the School received less support from the turnaround operator, resulting in lower than budgeted private source revenue. The School received less Title I funding than budgeted, which resulted in overall revenues being less than budgeted by approximately \$ 330,000. Due to the increased enrollment, the School spent more on instructional and other operating expenses driving costs of school operations to be higher than budgeted.

### **Economic Factors and Next Year's Budget**

Fiscal year 2017 state aid revenue increased driven by higher enrollment. For fiscal year 2018, enrollment growth is flat, year over year. Grant funding will remain at fiscal year 2017 levels for 21<sup>st</sup> Century, Title II and IDEA, but Indiana DOE School Improvement Grants (SIG) are dropping 21% from \$ 3.1 million to \$ 2.5 million.

### **Requests for Information**

If you have any questions about this report or need additional information, please write Hillary Daigle, Vice President of Finance, Charter Schools USA, 800 Corporate Drive, Suite 700, Fort Lauderdale, Florida 33334.

# BASIC FINANCIAL STATEMENTS

**Thomas Carr Howe Community High School**  
**Statement of Net Position**  
**June 30, 2017**

---

|   | <b>Governmental<br/>Activities</b> |
|---|------------------------------------|
| <b>Current Assets:</b>  |                                    |
| Cash  | \$ 22,427                          |
| Other receivables   | 23,884                             |
| Due from other governments                                    | 642,779                            |
| Prepaid items   | 59,140                             |
| Deposits  | <u>6,689</u>                       |
| Total current assets  | 754,919                            |
| <b>Noncurrent Assets:</b>                                     |                                    |
| Capital assets (depreciable), net of accumulated depreciation | <u>498,386</u>                     |
| Total assets  | <u>1,253,305</u>                   |
| <b>Deferred Outflows of Resources:</b>                        |                                    |
| Deferred outflows related to pensions                         | <u>187,615</u>                     |
| <b>Current Liabilities:</b>                                   |                                    |
| Accounts payable and accrued liabilities                      | 601,925                            |
| Salaries and wages payable                                    | 146,689                            |
| Due to other schools  | 4,036                              |
| Due to Agency Fund  | 2,269                              |
| Compensated absences  | <u>23,777</u>                      |
| Total current liabilities                                     | <u>778,696</u>                     |
| <b>Noncurrent Liabilities:</b>                                |                                    |
| Net pension liability   | 325,056                            |
| Compensated absences  | <u>7,925</u>                       |
| Total noncurrent liabilities                                  | <u>332,981</u>                     |
| Total liabilities   | <u>1,111,677</u>                   |
| <b>Deferred Inflows of Resources:</b>                         |                                    |
| Deferred inflows related to pensions                          | <u>2,485</u>                       |
| <b>Net Position:</b>  |                                    |
| Net investment in capital assets                              | 498,386                            |
| Unrestricted (deficit)  | <u>(171,628)</u>                   |
| Total net position  | <u>\$ 326,758</u>                  |

The accompanying notes to basic financial statements are an integral part of these statements.

**Thomas Carr Howe Community High School  
Statement of Activities  
For the Year Ended June 30, 2017**

---

|                                 |                     | <u>Program Revenues</u>         |   |   | <u>Governmental<br/>Activities</u>                                  |
|---------------------------------|---------------------|---------------------------------|---|---|---|
|                                 | <u>Expenses</u>     | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Capital<br/>Grants<br/>and<br/>Contributions</u> | <u>Net (Expense)<br/>Revenue and<br/>Change in<br/>Net Position</u> |
| <b>Functions/Programs:</b>      |                     |                                 |   |   |   |
| Costs of school operations      | \$ 6,150,578        | \$ 63,787                       | \$ 2,365,037                                      | \$ -  | \$ (3,721,754)  |
| Food services                   | <u>266,832</u>      | <u>-</u>                        | <u>251,626</u>                                    | <u>-</u>  | <u>(15,206)</u>   |
| Total governmental activities   | <u>\$ 6,417,410</u> | <u>\$ 63,787</u>                | <u>\$ 2,616,663</u>                               | <u>\$ -</u>   | <u>(3,736,960)</u>  |
| General purpose revenues:       |                     |                                 |   |   |   |
| State aid unrestricted          |                     |                                 |   |   | 3,675,492   |
| Miscellaneous income            |                     |                                 |   |   | <u>116,609</u>  |
| Total general purpose revenue   |                     |                                 |   |   | <u>3,792,101</u>  |
| Change in net position          |                     |                                 |   |   | 55,141  |
| Net position, beginning of year |                     |                                 |   |   | <u>271,617</u>  |
| Net position, end of year       |                     |                                 |   |   | <u>\$ 326,758</u>   |

The accompanying notes to basic financial statements are an integral part of these statements.

**Thomas Carr Howe Community High School  
Balance Sheet - Governmental Funds  
June 30, 2017**

|  | <u>General<br/>Fund</u> | <u>Title I -<br/>School<br/>Improvement<br/>Grant</u> | <u>Title I</u>   | <u>Total<br/>Nonmajor<br/>Funds</u> | <u>Total</u>        |
|--|-------------------------|---|------------------|-------------------------------------|---------------------|
| <b>Assets:</b>   |                         |   |                  |                                     |                     |
| Cash   | \$ 22,427               | \$ -  | \$ -             | \$ -                                | \$ 22,427           |
| Other receivables  | 23,884                  | -   | -                | -                                   | 23,884              |
| Due from other governments   | 199,195                 | 180,333   | 44,004           | 219,247                             | 642,779             |
| Due from other funds   | 443,584                 | -   | -                | -                                   | 443,584             |
| Prepaid items  | 59,140                  | -   | -                | -                                   | 59,140              |
| Deposits   | 6,689                   | -   | -                | -                                   | 6,689               |
| Total assets   | <u>\$ 754,919</u>       | <u>\$ 180,333</u>                                     | <u>\$ 44,004</u> | <u>\$ 219,247</u>                   | <u>\$ 1,198,503</u> |
| <b>Liabilities:</b>  |                         |   |                  |                                     |                     |
| Accounts payable and accrued liabilities   | \$ 601,925              | \$ -  | \$ -             | \$ -                                | \$ 601,925          |
| Salaries and wages payable   | 146,689                 | -   | -                | -                                   | 146,689             |
| Due to other schools   | 4,036                   | -   | -                | -                                   | 4,036               |
| Due to Agency Fund   | 2,269                   | -   | -                | -                                   | 2,269               |
| Due to other funds   | -                       | 180,333   | 44,004           | 219,247                             | 443,584             |
| Total liabilities  | <u>754,919</u>          | <u>180,333</u>  | <u>44,004</u>    | <u>219,247</u>                      | <u>1,198,503</u>    |
| <b>Fund Balances</b>   | <u>-</u>                | <u>-</u>  | <u>-</u>         | <u>-</u>                            | <u>-</u>            |
| Total liabilities and fund balances  | <u>\$ 754,919</u>       | <u>\$ 180,333</u>                                     | <u>\$ 44,004</u> | <u>\$ 219,247</u>                   | <u>\$ 1,198,503</u> |
| <b>Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position</b>  |                         |   |                  |                                     |                     |
| Total governmental fund balance  |                         |   |                  |                                     | \$ -                |
| Capital assets used in governmental activities are not financial resources and are not reported in the funds:  |                         |   |                  |                                     |                     |
| Capital assets cost  |                         |   |                  |                                     | 1,820,666           |
| Accumulated depreciation   |                         |   |                  |                                     | (1,322,280)         |
| Long-term assets are not available to pay for current period expenditures and, therefore, are not recorded in the funds:   |                         |   |                  |                                     |                     |
| Deferred outflows related to pensions  |                         |   |                  |                                     | 187,615             |
| Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. All liabilities, both current and long-term are reported in the government-wide statements: |                         |   |                  |                                     |                     |
| Net pension liability  |                         |   |                  |                                     | (325,056)           |
| Deferred inflows related to pensions   |                         |   |                  |                                     | (2,485)             |
| Compensated absences   |                         |   |                  |                                     | (31,702)            |
| <b>Net position of governmental activities</b>   |                         |   |                  |                                     | <u>\$ 326,758</u>   |

The accompanying notes to basic financial statements are an integral part of these statements.

**Thomas Carr Howe Community High School  
Statement of Revenues, Expenditures and  
Change in Fund Balances - Governmental Funds  
For the Year Ended June 30, 2017**

|  | <u>General<br/>Fund</u> | <u>Title I -<br/>School<br/>Improvement<br/>Grant</u> | <u>Title I</u> | <u>Total<br/>Nonmajor<br/>Funds</u> | <u>Total</u>     |
|--|-------------------------|---|----------------|-------------------------------------|------------------|
| <b>Revenues:</b>   |                         |   |                |                                     |                  |
| State aid  | \$ 4,094,927            | \$ -  | \$ -           | \$ 302,200                          | \$ 4,397,127     |
| Federal sources  | -                       | 707,515   | 575,447        | 588,584                             | 1,871,546        |
| Private sources  | 87,269                  | -   | -              | -                                   | 87,269           |
| Other income   | 116,609                 | -   | -              | -                                   | 116,609          |
|  | <u>4,298,805</u>        | <u>707,515</u>  | <u>575,447</u> | <u>890,784</u>                      | <u>6,472,551</u> |
| <b>Expenditures:</b>   |                         |   |                |                                     |                  |
| Costs of school operations   | 4,246,512               | 641,464   | 346,868        | 580,024                             | 5,814,868        |
| Food services  | 15,206                  | -   | -              | 251,626                             | 266,832          |
| Capital outlay   | 37,087                  | 66,051  | 228,579        | 59,134                              | 390,851          |
|  | <u>4,298,805</u>        | <u>707,515</u>  | <u>575,447</u> | <u>890,784</u>                      | <u>6,472,551</u> |
| <b>Net Change in Fund Balances</b>   | -                       | -   | -              | -                                   | -                |
| <b>Fund Balances - beginning of year</b>   | -                       | -   | -              | -                                   | -                |
| <b>Fund Balances - end of year</b>   | <u>\$ -</u>             | <u>\$ -</u>   | <u>\$ -</u>    | <u>\$ -</u>                         | <u>\$ -</u>      |
| <b>Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities</b>  |                         |   |                |                                     |                  |
| <b>Net change in fund balance - total governmental funds</b>   |                         |   |                |                                     | \$ -             |
| <b>Governmental funds report capital outlays as expenditures, in the statement of activities these costs are allocated over their useful lives as depreciation:</b>                        |                         |   |                |                                     |                  |
| Cost of capital assets   |                         |   |                |                                     | 390,851          |
| Provision for depreciation   |                         |   |                |                                     | (328,921)        |
| <b>Certain items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:</b> |                         |   |                |                                     |                  |
| Change in net pension liability  |                         |   |                |                                     | (36,853)         |
| Changes in deferred outflows related to pensions   |                         |   |                |                                     | 28,085           |
| Change in deferred inflows related to pensions   |                         |   |                |                                     | 2,438            |
| Change in compensated absences   |                         |   |                |                                     | (459)            |
| <b>Change in net position of governmental activities</b>   |                         |   |                |                                     | <u>\$ 55,141</u> |

The accompanying notes to basic financial statements are an integral part of these statements.

**Thomas Carr Howe Community High School  
Statement of Assets and Liabilities - Agency Fund  
June 30, 2017**

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|                           | <u>Student<br/>Activities</u> |
|---------------------------|-------------------------------|
| <b>Assets:</b>            |                               |
| Cash and cash equivalents | \$ 14,825                     |
| Due from General Fund     | <u>2,269</u>                  |
| Total current assets      | \$ <u><u>17,094</u></u>       |
| <br><b>Liabilities:</b>   |                               |
| Due to students           | \$ <u>17,094</u>              |
| Total liabilities         | \$ <u><u>17,094</u></u>       |

The accompanying notes to basic financial statements are an integral part of these statements.

### Note 1 - Organization and Operations

In 2011, the State Board of Education (“SBOE”) exercised its statutory authority to intervene in the management of certain schools that had been deemed failing for six years under Public Law 221 and the state’s school accountability system. As a result, the SBOE assigned the Indiana Department of Education (“IDOE”) to contract with third party “turnaround school operators” to manage the schools during the turnaround process. The schools were part of the Indianapolis Public Schools District. In 2013, the mayor of the City of Indianapolis successfully petitioned the SBOE for oversight of the turnaround school operators that manage these schools from the IDOE to Office of Education Innovation (“OEI”). In June 2015, Indianapolis turnaround schools transitioned to joint oversight by the SBOE and IDOE. Thomas Carr Howe Community High School (the “School”) is one of the turnaround schools.

### Note 2 - Summary of Significant Accounting Policies

**Basis of presentation:** The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School’s accounting policies are described below:

**Government-wide basic financial statements:** The School's basic financial statements include both government-wide (reporting the School as a whole) and fund financial statements (reporting the School's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the School's activities are classified as governmental activities.

In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis, if applicable, and is reported on a full accrual, economic resource basis, which recognizes all noncurrent assets and receivables as well as all noncurrent debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The net costs, by function, are also supported by general revenues (unrestricted contributions, miscellaneous revenue, etc.). The statement of activities reduces gross expenses by related program revenues, operating and capital grants and contributions. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the year ended June 30, 2017 the School had program revenues of \$ 2,680,450.

This government-wide focus is more on the ability to sustain the School as an entity and the change in the School's net position resulting from the current year's activities.

**Fund financial statements:** The accounts of the School are organized on the basis of funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures.

The School reports the following major governmental funds:

**General Fund** - This fund is used to account for all operating activities of the School except for those required to be accounted for in another fund.

**Note 2 - Summary of Significant Accounting Policies (continued)**

**Title I - School Improvement Grant Fund** - This fund is used to account for all federal dollars received under this Title I program.

**Title I** – This fund is used to account for all federal dollars received under this Title I program.

**Measurement focus and basis of accounting:** Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the governmental-wide statement uses the economic resources measurement focus.

Governmental activity in the government-wide basic financial statements is presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds basic financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within sixty days after year-end or soon enough thereafter to be used to pay liabilities of the current period. The School uses an availability period of six months for recognition of governmental grant revenue.

**Cash and cash equivalents:** The School considers all demand accounts and money market funds which are not subjected to withdrawal restrictions to be cash and cash equivalents. The School routinely maintains cash balances at a financial institution which exceeds federally insured amounts. The School has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk associated with its cash and cash equivalents.

**Prepaid items:** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Due to and due from other funds:** Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

**Capital assets:** Property and equipment purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with a cost of \$ 750 and useful life of over one year. Donated property and equipment assets are valued at the estimated fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related fixed assets. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all capital assets is provided on the straight-line basis over the estimated useful lives as follows:

|                         |         |
|-------------------------|---------|
| Furniture and equipment | 5 years |
| Computer equipment      | 3 years |

## Note 2 - Summary of Significant Accounting Policies (continued)

**Deferred outflows/inflows of resources:** In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School has deferred outflows relating to the net pension liability that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The School has deferred inflows relating to the net pension liability that qualify for reporting in this category.

**Unearned revenue:** Unearned revenue arises when the School receives resources before it has a legal claim to them.

**Compensated absences:** The School's policy permits employees to accumulate earned but unused paid time off, which is eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Payments for compensated absences are generally paid out of the General Fund.

**Net position:** Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation reduced by the outstanding balances of borrowings used for the acquisition, construction or improvement of those assets.
- Restricted - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net position that is available to fund future operations.

Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statement, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

## Note 2 - Summary of Significant Accounting Policies (continued)

**Fund balance:** The governmental fund financial statements present fund balances based on the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental fund financial statements:

- **Nonspendable** - this classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The School classifies inventories, prepaid items, long-term notes receivable and deposits as nonspendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted** - this classification includes amounts that are restricted for specific purposes by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation.
- **Committed** - this classification includes amounts that can be used for specific purposes voted on through formal action of the governing body. The committed amount cannot be used for any other purpose unless the governing body removes or changes the commitment through formal action.
- **Assigned** - this classification includes amounts that the governing body intends to use for a specific purpose but they are neither restricted nor committed. The School classifies existing fund balance to be used in the subsequent year's budget for elimination of a deficit as assigned.
- **Unassigned** - this classification includes amounts that have not been restricted, committed or assigned for a specific purpose within the General Fund.

The details of the fund balances are included in the Governmental Fund Balance Sheet on page 10.

Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the government fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School's policy to consider restricted fund balance to have been depleted before using any of components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Budget:** Annual budgets are adopted on a basis utilizing accounting principles generally accepted in the United States of America and consistent with state law for the general and special revenue funds. The budget document presents information by function.

**Use of estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Thomas Carr Howe Community High School**  
**Notes to Basic Financial Statements**  
**June 30, 2017**

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**Note 2 - Summary of Significant Accounting Policies (continued)**

**Date of management review:** Subsequent events were evaluated by management through March 16, 2018, which is the date the financial statements were available to be issued.

**Note 3 - Capital Assets**

Capital asset balances and activity for the year ended June 30, 2017 are as follows:

|                                   | Balance at<br>July 1,<br>2016 | Additions        | Deletions   | Balance at<br>June 30,<br>2017 |
|-----------------------------------|-------------------------------|------------------|-------------|--------------------------------|
| Capital assets, depreciable:      |                               |                  |             |                                |
| Furniture and equipment           | \$ 244,586                    | \$ 130,506       | \$ -        | \$ 375,092                     |
| Computer equipment                | <u>1,185,229</u>              | <u>260,345</u>   | <u>-</u>    | <u>1,445,574</u>               |
| Total capital assets, depreciable | <u>1,429,815</u>              | <u>390,851</u>   | <u>-</u>    | <u>1,820,666</u>               |
| Accumulated depreciation:         |                               |                  |             |                                |
| Furniture and equipment           | 135,563                       | 63,790           | -           | 199,353                        |
| Computer equipment                | <u>857,796</u>                | <u>265,131</u>   | <u>-</u>    | <u>1,122,927</u>               |
| Total accumulated depreciation    | <u>993,359</u>                | <u>328,921</u>   | <u>-</u>    | <u>1,322,280</u>               |
| Net capital assets                | <u>\$ 436,456</u>             | <u>\$ 61,930</u> | <u>\$ -</u> | <u>\$ 498,386</u>              |

**Note 4 - Due from Other Schools**

The School, Emma Donnan Middle School, Emma Donnan Elementary School, and Emmerich Manual High School are related as they are all divisions of the Indiana Department of Education which are operated by CSUSA (Note 5). As of June 30, 2017, the financial statements include an amount due to these schools of \$ 4,036 for shared expenses.

**Note 5 - School Operation Contract**

The Indiana Department of Education entered into a contract with Charter Schools USA, Inc. ("CSUSA") as a turnaround school operator to perform all duties and obligations necessary to operate the School. The contract commenced on July 1, 2012 and shall remain in effect through June 30, 2020. Pursuant to the contract, CSUSA shall receive monthly payments based upon the yearly ADM counts, which occur in September and February, as provided for under Indiana Code 20-43.

The School's accounts payable balance has an amount due to CSUSA for \$ 579,341 for invoiced services.

## **Note 6 - Retirement Plans**

The employees of the School have the option of participating in one of the following Plans:

### 401(k) Plan

During the year ended June 30, 2017, the School offered all of its full-time employees who had attained 21 years of age, a retirement plan under Internal Revenue Code Section 401(k). The employee is allowed to contribute up to a maximum of 100% of his/her annual gross compensation, subject to certain limitations. The School contributed a matching amount of \$ 19,606 for the year ended June 30, 2017.

### Indiana Public Retirement System

#### **Plan Description**

The School elected to become a participating employer in the Indiana Public Retirement System (INPRS), a cost-sharing multiple employer retirement system that acts as a common investment and administrative agent for units of state and local government in Indiana. INPRS is governed by state statutes I.C.S. 5-10.2 and 5-10.3. As such, it is INPRS's responsibility to administer the law in accordance with the expressed intent of the Indiana General Assembly. The School contributes to two plans under INPRS; the Public Employees' Retirement Fund (PERF) and the State Teachers' Retirement Fund 1996 Account (TRF 1996). Both are qualified plans under Internal Revenue Code Section 401(a) and are tax exempt.

#### **Benefits**

PERF and TRF 1996 are contributory defined benefit plans that cover substantially all School employees. Retirement benefits vest after 10 years of service. Participants are eligible for early retirement with 100% of the defined benefit plan if certain conditions are met. A participant may retire with full benefits at age 60 with 15 or more years of service or at age 55 if the participant's age plus years of service equals 85 or more (Rule of 85). If neither of the above conditions are met, a participant may retire with 100% of the pension benefit at age 65 with 10 or more years of service. This annual pension is equal to 1.1% times the average annual salary times the number of years and months of INPRS-covered employment. The average annual salary used for calculating the pension benefit is an average of the participant's highest five years of employment earning within the 10 years preceding retirement. Participants who retire between the ages of 50 and 59 with 15 or more years of service receive a pension benefit that is reduced by various percentages according to the participant's age. The plans also provide disability and survivor benefits.

Participants have two choices regarding their annuity savings account which holds their required contributions. They may elect to receive the contributions and accumulated earnings in a lump sum at retirement, or, they may choose to receive the annuity amount as a monthly supplement to their employer-provided pension described in the paragraph above.

#### **Contributions**

The participants are required to make a contribution of 3% of their annual salary to an annuity savings account that may be withdrawn at any time with interest should a participant terminate employment. The School is required by State statute to contribute at an actuarially determined rate. The rate for PERF was 11.2% of annual covered payroll. The rate for TRF 1996 was 7.5% of annual covered payroll. The contribution requirements of participants are determined by State statute.

**Note 6 - Retirement Plans (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2017, the School reported liabilities of \$ 192,563 for its proportionate share of the PERF's net pension liability and \$ 132,493 for the TRF 1996's net position liability for a total net pension liability of \$ 325,056. 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 that date. The School's proportion of the net pension liability was based on a projection of the School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2016, the School's proportion was .0000424 percent, which was a decrease of .0000114 percentage points from its proportion measured as of June 30, 2015 for PERF and the School's proportion was .0001698 percent, which was an increase of .0000385 percentage points from its proportion measured as of June 30, 2015 for TRF 1996.

For the year ended June 30, 2017, the School recognized pension expense of \$ 48,572. At June 30, 2017, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred Outflows of Resources |                   |                   |
|---|--------------------------------|-------------------|-------------------|
|   | PERF                           | TRF<br>1996       | Total             |
| Differences between expected and actual experience  | \$ 3,959                       | \$ -              | \$ 3,959          |
| Net difference between projected and actual earnings on pension plan investments                            | 31,518                         | 41,570            | 73,088            |
| Change of assumptions   | 8,496                          | 38,411            | 46,907            |
| Changes in proportion and differences between School contributions and proportionate share of contributions | -                              | 12,428            | 12,428            |
| School contributions subsequent to the measurement date   | 15,355                         | 35,878            | 51,233            |
| <b>Total</b>  | <b>\$ 59,328</b>               | <b>\$ 128,287</b> | <b>\$ 187,615</b> |

|   | Deferred Inflows of Resources |                 |                 |
|---|-------------------------------|-----------------|-----------------|
|   | PERF                          | TRF<br>1996     | Total           |
| Differences between expected and actual experience  | \$ -                          | \$ 1,169        | \$ 1,169        |
| Changes in proportion and differences between School contributions and proportionate share of contributions | 1,316                         | -               | 1,316           |
| <b>Total</b>  | <b>\$ 1,316</b>               | <b>\$ 1,169</b> | <b>\$ 2,485</b> |

**Note 6 - Retirement Plans (continued)**

\$ 51,233 reported as deferred outflows of resources related to pensions resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. 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<br>June 30, | PERF      | TRF 1996  | Total     |
|------------------------|-----------|-----------|-----------|
| 2018                   | \$ 15,549 | \$ 12,654 | \$ 28,203 |
| 2019                   | \$ 9,923  | \$ 12,654 | \$ 22,577 |
| 2020                   | \$ 12,060 | \$ 21,331 | \$ 33,391 |
| 2021                   | \$ 5,125  | \$ 11,941 | \$ 17,066 |
| 2022                   | \$ -      | \$ 4,252  | \$ 4,252  |
| Thereafter             | \$ -      | \$ 28,408 | \$ 28,408 |

**Actuarial assumptions:** The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all pensions included in the measurement:

|                          | PERF        | TRF 1996       |
|--------------------------|-------------|----------------|
| Future salary increases  | 2.50%-4.25% | 2.50% - 12.50% |
| Inflation                | 2.25%       | 2.25%          |
| Cost of living increases | 1.00%       | 1.00%          |

Mortality rates were based on the mortality table from the RP-2014 Mortality Table with Social Security Administration generational improvement scale from 2006. The demographic assumptions were updated as needed for the June 30, 2016 actuarial valuation based on results of the study.

For the PERF, the most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2016 actuarial valuation based on the results of the study. For the TRF 1996, the actuarial assumptions used in the June 30, 2016 valuation are based on plan experience from July 1, 2011 to June 30, 2014.

The long-term return expectation for the defined benefit retirement plans was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

**Note 6 - Retirement Plans (continued)**

| <u>Asset Class</u>                   | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|--------------------------------------|--------------------------|---|
| Fixed income - ex inflation - linked | 20.0%                    | 2.3%  |
| Fixed income - inflation - linked    | 7.0%                     | 0.6%  |
| Public equity                        | 22.0%                    | 4.9%  |
| Real estate                          | 7.0%                     | 3.7%  |
| Private equity                       | 14.0%                    | 5.7%  |
| Commodities                          | 8.0%                     | 2.2%  |
| Absolute return                      | 10.0%                    | 3.9%  |
| Risk parity                          | 12.0%                    | 5.1%  |
| Total                                | <u>100.0%</u>            |   |

**Discount rate:** The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on these assumptions, the defined benefit pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the School's proportion share of the net pension liability to changes in the discount rate:** The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 6.75 percent, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

|  | <u>1% Decrease (5.75%)</u> | <u>Current Discount Rate (6.75%)</u> | <u>1% Increase (7.75%)</u> |
|--|----------------------------|--------------------------------------|----------------------------|
| School's proportionate share of the net pension liability for PERF     | \$ 276,565                 | \$ 192,563                           | \$ 122,743                 |
| School's proportionate share of the net pension liability for TRF 1996 | \$ 294,958                 | \$ 132,493                           | \$ 2,630                   |

**Pension plan fiduciary net position:** Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (888) 526-1687, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

**Note 7 - Risk Financing**

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The School has obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during the past three years.

# REQUIRED SUPPLEMENTARY INFORMATION

**Thomas Carr Howe Community High School  
 Budgetary Comparison Schedule  
 For the Year Ended June 30, 2017**

---

|  | <u>Original<br/>and Final<br/>Budget</u> | <u>Actual</u>      | <u>Variance</u>    |
|--|--|--------------------|--------------------|
| <b>Revenues:</b>                       |  |                    |                    |
| State aid                              | \$ 3,291,204                             | \$ 4,397,127       | \$ 1,105,923       |
| Federal sources                        | 2,224,868                                | 1,871,546          | (353,322)          |
| Private sources                        | 1,284,618                                | 87,269             | (1,197,349)        |
| Other income                           | <u>1,544</u>                             | <u>116,609</u>     | <u>115,065</u>     |
| Total revenues                         | <u>6,802,234</u>                         | <u>6,472,551</u>   | <u>(329,683)</u>   |
| <b>Expenditures:</b>                   |  |                    |                    |
| Costs of school operations             | 6,359,278                                | 5,814,868          | 544,410            |
| Food services                          | 195,924                                  | 266,832            | (70,908)           |
| Capital outlay                         | <u>247,032</u>                           | <u>390,851</u>     | <u>(143,819)</u>   |
| Total expenditures                     | <u>6,802,234</u>                         | <u>6,472,551</u>   | <u>329,683</u>     |
| <b>Net Change in Fund Balance</b>      | -  | -                  | -                  |
| <b>Fund Balance, beginning of year</b> | <u>-</u>                                 | <u>-</u>           | <u>-</u>           |
| <b>Fund Balance, end of year</b>       | \$ <u><u>-</u></u>                       | \$ <u><u>-</u></u> | \$ <u><u>-</u></u> |

**Thomas Carr Howe Community High School**  
**Schedule of Proportionate Share of Net Pension Liability**  
**Public Employees' Retirement Fund**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

|   | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|-------------|-------------|
| Thomas Carr Howe Community High School's proportion of the net pension liability  | 0.0000326%  | 0.0000424%  | 0.0000538%  | 0.0000648%  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability   | \$ 143,165  | \$ 192,566  | \$ 219,089  | \$ 170,319  |
| Thomas Carr Howe Community High School's covered-employee payroll   | \$ 161,871  | \$ 203,376  | \$ 257,685  | \$ 316,375  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 88.44%      | 94.68%      | 85.02%      | 53.83%      |
| Plan fiduciary net position as a percentage of total pension liability  | 76.6%       | 75.3%       | 77.3%       | 84.3%       |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School  
Schedule of Proportionate Share of Net Pension Liability  
Teachers' Retirement Fund 1996 Account  
Last 10 Fiscal Years \*  
(Unaudited)**

---

|   | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|-------------|-------------|
| Thomas Carr Howe Community High School's proportion of the net pension liability  | 0.0000923%  | 0.0001698%  | 0.0001313%  | 0.0002107%  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability   | \$ 62,482   | \$ 132,493  | \$ 69,114   | \$ 10,020   |
| Thomas Carr Howe Community High School's covered-employee payroll   | \$ 278,827  | \$ 488,956  | \$ 359,712  | \$ 545,325  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 22.41%      | 27.10%      | 19.21%      | 1.84%       |
| Plan fiduciary net position as a percentage of total pension liability  | 90.40%      | 87.8%       | 91.1%       | 99.1%       |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School  
Schedule of Contributions  
Public Employees' Retirement Fund  
Last 10 Fiscal Years \*  
(Unaudited)**

---

|  | <u>2017</u>   | <u>2016</u>   | <u>2015</u>   | <u>2014</u>   |
|--|---------------|---------------|---------------|---------------|
| Contractually required contribution                                  | \$ 19,617     | \$ 20,746     | \$ 31,404     | \$ 54,715     |
| Contributions in relation to the contractually required contribution | <u>19,617</u> | <u>20,746</u> | <u>31,404</u> | <u>54,715</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   |
| Thomas Carr Howe Community High School's covered employee payroll    | \$ 161,871    | \$ 203,376    | \$ 257,685    | \$ 316,375    |
| Contributions as a percentage of covered payroll                     | 12.12%        | 10.20%        | 12.19%        | 17.29%        |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School  
Schedule of Contributions  
Teachers' Retirement Fund 1996 Account  
Last 10 Fiscal Years \*  
(Unaudited)**

---

|  | <u>2017</u>   | <u>2016</u>   | <u>2015</u>   | <u>2014</u>   |
|--|---------------|---------------|---------------|---------------|
| Contractually required contribution                                  | \$ 22,313     | \$ 34,458     | \$ 29,614     | \$ 54,599     |
| Contributions in relation to the contractually required contribution | <u>22,313</u> | <u>34,458</u> | <u>29,614</u> | <u>54,599</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   | <u>\$ -</u>   |
| Thomas Carr Howe Community High School's covered employee payroll    | \$ 278,827    | \$ 488,956    | \$ 359,712    | \$ 545,325    |
| Contributions as a percentage of covered pa                          | 8.00%         | 7.05%         | 8.23%         | 10.01%        |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School**  
**Schedule of Investment Returns**  
**Public Employees' Retirement Fund**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

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|   | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|-------------|-------------|
| Annual money-weighted annual rate of return, net of investment expenses | 7.60%       | 1.11%       | 0.32%       | 12.33%      |

\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

**Thomas Carr Howe Community High School**  
**Schedule of Investment Returns**  
**Teachers' Retirement Fund 1996 Account**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

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|  | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------|-------------|-------------|
| Annual money-weighted annual rate<br>of return, net of investment expenses | 8.14%       | 1.01%       | 0.57%       | 12.71%      |

\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

## ADDITIONAL INFORMATION

**Thomas Carr Howe Community High School  
Combining Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Nonmajor Governmental Funds  
For the Year Ended June 30, 2017**

|                                    | <u>School<br/>Lunch</u> | <u>Title II</u> | <u>IDEA</u>    | <u>Perkins</u> | <u>21st Century<br/>Community<br/>Learning<br/>Centers</u> | <u>Total<br/>Nonmajor<br/>Governmental<br/>Funds</u> |
|------------------------------------|-------------------------|-----------------|----------------|----------------|--|--|
| <b>Revenues:</b>                   |                         |                 |                |                |  |  |
| State sources                      | \$ -                    | \$ -            | \$ 302,200     | \$ -           | \$ -   | \$ 302,200   |
| Federal sources                    | 251,626                 | 11,504          | 45,945         | 130,371        | 149,138  | 588,584  |
| Total revenue                      | <u>251,626</u>          | <u>11,504</u>   | <u>348,145</u> | <u>130,371</u> | <u>149,138</u>   | <u>890,784</u>                                       |
| <b>Expenditures:</b>               |                         |                 |                |                |  |  |
| Current:                           |                         |                 |                |                |  |  |
| Costs of school operations         | -                       | 11,504          | 348,145        | 71,237         | 149,138  | 580,024  |
| Food services                      | 251,626                 | -               | -              | -              | -  | 251,626  |
| Capital outlay                     | -                       | -               | -              | 59,134         | -  | 59,134   |
| Total expenditures                 | <u>251,626</u>          | <u>11,504</u>   | <u>348,145</u> | <u>130,371</u> | <u>149,138</u>   | <u>890,784</u>                                       |
| <b>Net Change in Fund Balances</b> | -                       | -               | -              | -              | -  | -  |
| <b>Fund Balances, beginning</b>    | <u>-</u>                | <u>-</u>        | <u>-</u>       | <u>-</u>       | <u>-</u>   | <u>-</u>   |
| <b>Fund Balances, ending</b>       | <u>\$ -</u>             | <u>\$ -</u>     | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>  | <u>\$ -</u>  |

# SUPPLEMENTAL SCHEDULES

**Thomas Carr Howe Community High School  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2017**

| Federal Grantor/Pass-Through Grantor/<br>Program Title                     | CFDA<br>Number | Contract/Grant Number | Expenditures        | Transfers to<br>Subrecipients |
|--|----------------|-----------------------|---------------------|-------------------------------|
| <b>Federal Agency Name:</b>  |                |                       |                     |                               |
| U.S. Department of Agriculture -   |                |                       |                     |                               |
| Passed through the Indiana Department of Agriculture -                     |                |                       |                     |                               |
| Child Nutrition Cluster -  |                |                       |                     |                               |
| National School Breakfast Program  | 10.553         | -                     | \$ 50,176           | \$ -                          |
| National School Lunch Program  | 10.555         | -                     | <u>201,450</u>      | <u>-</u>                      |
| Total Child Nutrition Cluster  |                |                       | <u>251,626</u>      | <u>-</u>                      |
| Total U.S. Department of Agriculture                                       |                |                       | <u>251,626</u>      | <u>-</u>                      |
| U.S. Department of Education -   |                |                       |                     |                               |
| Passed through the Indiana Department of Education -                       |                |                       |                     |                               |
| Title I Cluster  |                |                       |                     |                               |
| Title I Grants to Local Educational Agencies                               | * 84.010       | -                     | 575,447             | -                             |
| Title I Grants to Local Educational Agencies<br>- School Improvement Grant | * 84.010A      | -                     | <u>707,515</u>      | <u>-</u>                      |
| Total Title I Cluster  |                |                       | <u>1,282,962</u>    | <u>-</u>                      |
| Title II Improving Teacher Quality   | 84.367         | -                     | 11,504              | -                             |
| Career and Technical Education   | 84.048         | -                     | 130,371             | -                             |
| Special Education Grants to States - IDEA, Part B                          | 84.027         | -                     | 45,945              | -                             |
| 21st Century Community Learning Centers Grant                              | 84.287         | -                     | <u>149,138</u>      | <u>-</u>                      |
| Total U.S. Department of Education   |                |                       | <u>1,619,920</u>    | <u>-</u>                      |
| Total expenditures of federal awards                                       |                |                       | <u>\$ 1,871,546</u> | <u>\$ -</u>                   |

\* Denotes a major program

See notes to schedule of expenditures of federal awards.

**Thomas Carr Howe Community High School**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2017**

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**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the School for the year ended June 30, 2017. The information in the Schedule of Expenditures of Federal Awards is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, (Uniform Guidance). Because the Schedule presents only a selected portion of the operations, it is not intended to and does not present the financial position, change in net assets, or cash flows of the School.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursements.

**Note 3 - Indirect Cost Rate**

The School did not elect to use the 10% de minimis indirect cost rate.

**Note 4 - Contingency**

The grant and contract revenue amounts received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor/contract agencies would become a liability of the School. In the opinion of management, all grant and contract expenditures are in compliance with the terms of the agreements and applicable Federal and state laws and other applicable regulations.

# INTERNAL CONTROLS AND COMPLIANCE

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Office of Education Innovation  
Thomas Carr Howe Community High School  
A Division of the Indiana Department of Education  
Indianapolis, Indiana

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 Thomas Carr Howe Community High School (the "School"), a Division of the Indiana Department of Education, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated March 16, 2018

**Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School'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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
March 16, 2018

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Office of Education Innovation  
Thomas Carr Howe Community High School  
A Division of the Indiana Department of Education  
Indianapolis, Indiana

**Report on Compliance for Each Major Federal Program**

We have audited Thomas Carr Howe Community High School's (the "School"), a Division of the Indiana Department of Education, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2017. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

**Report on Internal Control Over Compliance**

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School’s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School’s internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
March 16, 2018

**Thomas Carr Howe Community High School  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2017**

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**A. Summary of Auditor’s Results**

1. The auditor’s report expresses an unmodified opinion on the financial statements of Thomas Carr Howe Community High School.
2. No material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Thomas Carr Howe Community High School were disclosed during the audit.
4. No material weaknesses relating to the audit of the major Federal program is reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditor’s report on compliance for the major Federal program for Thomas Carr Howe Community High School expresses an unmodified opinion.
6. There are no audit findings relative to the major Federal program for Thomas Carr Howe Community High School reported in Part C of this schedule.
7. The program tested as a major program is as follows:

| <u>Federal Program</u>   | <u>CFDA No.</u>       |
|--|-----------------------|
| U.S. Department of Education –<br>Title I Grants to Local Educational Agencies -<br>Title I Grants to Local Educational Agencies -<br>School Improvement Grant | 84.010<br><br>84.010A |

8. The threshold for distinguishing Types A and B programs was \$ 750,000.
9. Thomas Carr Howe Community High School was determined to be a low-risk auditee.

**B. Findings - Financial Statements Audit**

No matters were reported.

**C. Findings and Questioned Costs - Major Federal Awards Program**

No matters were reported.

**D. Other Issues**

1. No management letter is required because there were no findings required to be reported in a separate management letter.
2. No schedule of prior audit findings is required because there were no prior audit findings related to Federal programs.
3. No corrective action plan is required because there were no findings reported under the Uniform Guidance.

# Thomas Carr Howe Community High School

A Division of the Indiana Department of Education

Basic Financial Statements  
For the Year Ended June 30, 2016

# Thomas Carr Howe Community High School

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# Thomas Carr Howe Community High School

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## INDEPENDENT AUDITOR'S REPORT

To the Office of Education Innovation  
Thomas Carr Howe Community High School  
A Division of the Indiana Department of Education  
Indianapolis, Indiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Thomas Carr Howe Community High School (the "School"), a Division of the Indiana Department of Education, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

CPA's + Trusted Advisors

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules related to pensions and budgetary comparison information on pages 4 through 7 and 22 through 28 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The combining and individual nonmajor fund financial schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepting in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The combining and individual nonmajor fund financial schedule is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 25, 2017, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
April 25, 2017

# MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Thomas Carr Howe Community High School (the "School"), a Division of the Indiana Department of Education, we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School for the year ended June 30, 2016 and 2015.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide, in layman's terms, the current position of the School's financial condition. This summary should not be taken as a replacement for the audit which consists of the basic financial statements.

### **Financial Highlights**

For the fiscal year ended June 30, 2016, total assets and deferred outflows were \$ 1,706,178, total liabilities and deferred inflows were \$ 1,434,561, and total net position was \$ 271,617. For the fiscal year ended June 30, 2015, total assets and deferred outflows were \$ 1,567,952, total liabilities were \$ 1,215,271, and total net position was \$ 352,681.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

**Government-Wide Basic Financial Statements:** The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of the School's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected revenues and services rendered but unpaid).

The government-wide financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

The government-wide basic financial statements can be found on pages 8 and 9 of this report.

**Fund Basic Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide basic financial statements, governmental fund basic financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains several individual governmental funds. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balances. The General Fund, Title I - School Improvement Grant Fund and Title I Fund are considered to be the School's major funds.

The School adopts an annual budget for its governmental funds. A budgetary comparison schedule has been provided to demonstrate compliance with the budget.

The governmental fund financial statements can be found on pages 10 and 11 of this report.

**Agency Fund:** In addition, the School has one Agency Fund which is a student activity fund. This fund is formed for education and school purposes.

The Agency Fund financial statement can be found on page 12 of this report. The assets and liabilities of this fund are not included in the government-wide statement of net position.

**Notes to Basic Financial Statements:** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 13 through 21 of this report.

### **Government-Wide Financial Analysis**

The School's net position was \$ 271,617 at June 30, 2016. The amount of \$ 436,456 represents net investment in capital assets and (\$ 164,839) represents unrestricted net position (deficit). The School's net position was \$ 352,681 at June 30, 2015, which represents net investment in capital assets of \$ 519,630 and unrestricted position (deficit) of (\$ 166,949).

**Thomas Carr Howe Community High School  
Management's Discussion and Analysis  
June 30, 2016**

Our analysis in the table below focuses on the net position of the School's governmental activities:

**Thomas Carr Howe Community High School  
Net Position**

|                                       | <u>June 30,<br/>2016</u> | <u>June 30,<br/>2015</u> |
|---------------------------------------|--------------------------|--------------------------|
| <b>Assets:</b>                        |                          |                          |
| Current and other assets              | \$ 1,110,192             | \$ 927,412               |
| Capital assets, net of depreciation   | 436,456                  | 519,630                  |
| Total assets                          | <u>1,546,648</u>         | <u>1,447,042</u>         |
| <b>Deferred Outflows of Resources</b> | <u>159,530</u>           | <u>120,910</u>           |
| <b>Liabilities:</b>                   |                          |                          |
| Current liabilities                   | 1,133,624                | 950,342                  |
| Noncurrent liabilities                | 296,014                  | 187,982                  |
| Total liabilities                     | <u>1,429,638</u>         | <u>1,138,324</u>         |
| <b>Deferred Inflows of Resources</b>  | <u>4,923</u>             | <u>76,947</u>            |
| <b>Net Position:</b>                  |                          |                          |
| Net investment in capital assets      | 436,456                  | 519,630                  |
| Unrestricted (deficit)                | <u>(164,839)</u>         | <u>(166,949)</u>         |
| Total net position                    | <u>\$ 271,617</u>        | <u>\$ 352,681</u>        |

***Governmental Activities***

The results of this year's operations for the School as a whole are reported in the statement of activities on page 9. The following table provides a condensed presentation of the School's revenues and expenses for the year ended June 30, 2016 and 2015:

**Thomas Carr Howe Community High School  
Change in Net Position**

|  | <u>June 30,<br/>2016</u> | <u>June 30,<br/>2015</u> |
|--|--------------------------|--------------------------|
| <b>Revenues:</b>                       |                          |                          |
| General revenues:                      |                          |                          |
| State aid unrestricted                 | \$ 3,604,015             | \$ 4,791,458             |
| Miscellaneous income                   | 77,531                   | 75,117                   |
| Program revenues:                      |                          |                          |
| Charges for services                   | 64,273                   | 67,126                   |
| Operating grants and contributions     | 2,973,427                | 2,792,604                |
| Total revenues                         | <u>6,719,246</u>         | <u>7,726,305</u>         |
| <b>Functions/Program Expenses:</b>     |                          |                          |
| Costs of school operations             | 6,570,890                | 7,452,520                |
| Food services                          | 229,420                  | 258,369                  |
| Total governmental activities          | <u>6,800,310</u>         | <u>7,710,889</u>         |
| Change in net position                 | (81,064)                 | 15,416                   |
| <b>Net position, beginning of year</b> | <u>352,681</u>           | <u>337,265</u>           |
| <b>Net position, end of year</b>       | <u>\$ 271,617</u>        | <u>\$ 352,681</u>        |

As reported in the statement of activities, the cost of governmental activities was \$ 6,800,310. These activities were primarily funded by the School's state aid and governments that subsidized certain programs with grants.

### **Fund Financial Statements**

Governmental Funds - The School's instruction and support services activities are reported in the General Fund, Title I - School Improvement Grant Fund, Title I Fund and the nonmajor special revenue funds. The governmental funds are reported on a modified accrual basis. Only those assets that are "measureable" and "currently available" are reported. Liabilities are recognized when incurred.

### **Capital Assets**

At June 30, 2016, the School had capital assets of \$ 436,456, net of accumulated depreciation, invested in computer equipment and furniture and equipment. A detailed schedule is on page 17 in the notes to the basic financial statements.

### **Budgetary Highlights**

The school was under enrolled by 176 students, driving state source revenues to be lower than the budget by approximately \$ 1.39 million. The school received approximately \$ 2.1 million in federal and state grants, including approximately \$ 735,000 from Title I - School Improvement Grant to pay for qualifying expenses. Total expenditures were lower than the budget by approximately \$ 1.04 million, mainly due to the previously mentioned under enrollment. The turnaround operator made a contribution to the school of approximately \$ 545,000 to help mitigate the deficit.

### **Economic Factors and Next Year's Budget**

In fiscal year 2016, Indianapolis reduced the School Improvement Grant. There were also reductions in Perkins, IDEA, Title I and Title II offset by an increase in the 21st Century grant. The school is on track to receive an increase in these grants in the upcoming fiscal year.

### **Requests for Information**

If you have any questions about this report or need additional information, please write Hillary Daigle, Vice President of Finance, Charter Schools USA, 800 Corporate Drive, Suite 700, Fort Lauderdale, Florida 33334.

# BASIC FINANCIAL STATEMENTS

**Thomas Carr Howe Community High School**  
**Statement of Net Position**  
**June 30, 2016**

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|   | <b>Governmental<br/>Activities</b> |
|---|------------------------------------|
| <b>Current Assets:</b>  |                                    |
| Cash  | \$ 118,385                         |
| Other receivables   | 8,018                              |
| Due from other governments                                    | 810,911                            |
| Due from other schools  | 159,430                            |
| Prepaid items   | 6,759                              |
| Deposits  | <u>6,689</u>                       |
| Total current assets  | 1,110,192                          |
| <b>Noncurrent Assets:</b>                                     |                                    |
| Capital assets (depreciable), net of accumulated depreciation | <u>436,456</u>                     |
| Total assets  | <u>1,546,648</u>                   |
| <b>Deferred Outflows of Resources:</b>                        |                                    |
| Deferred outflows related to pensions                         | <u>159,530</u>                     |
| <b>Current Liabilities:</b>                                   |                                    |
| Accounts payable and accrued liabilities                      | 961,003                            |
| Salaries and wages payable                                    | 149,189                            |
| Compensated absences  | <u>23,432</u>                      |
| Total current liabilities                                     | <u>1,133,624</u>                   |
| <b>Noncurrent Liabilities:</b>                                |                                    |
| Net pension liability   | 288,203                            |
| Compensated absences  | <u>7,811</u>                       |
| Total noncurrent liabilities                                  | <u>296,014</u>                     |
| Total liabilities   | <u>1,429,638</u>                   |
| <b>Deferred Inflows of Resources:</b>                         |                                    |
| Deferred inflows related to pensions                          | <u>4,923</u>                       |
| <b>Net Position:</b>  |                                    |
| Net investment in capital assets                              | 436,456                            |
| Unrestricted (deficit)  | <u>(164,839)</u>                   |
| Total net position  | \$ <u><u>271,617</u></u>           |

The accompanying notes to basic financial statements are an integral part of these statements.

Thomas Carr Howe Community High School  
Statement of Activities  
For the Year Ended June 30, 2016

|                                 | Program Revenues    |                         |  | Capital<br>Grants<br>and<br>Contributions | Governmental<br>Activities<br>Net (Expense)<br>Revenue and<br>Change in<br>Net Position |
|---------------------------------|---------------------|-------------------------|--|---|---|
|                                 | Expenses            | Charges for<br>Services | Operating<br>Grants and<br>Contributions |   |   |
| <b>Functions/Programs:</b>      |                     |                         |  |   |   |
| Costs of school operations      | \$ 6,570,890        | \$ 63,950               | \$ 2,762,534                             | \$ -                                      | \$ (3,744,406)  |
| Food services                   | <u>229,420</u>      | <u>323</u>              | <u>210,893</u>                           | <u>-</u>                                  | <u>(18,204)</u>   |
| Total governmental activities   | <u>\$ 6,800,310</u> | <u>\$ 64,273</u>        | <u>\$ 2,973,427</u>                      | <u>\$ -</u>                               | <u>(3,762,610)</u>  |
| General purpose revenues:       |                     |                         |  |   |   |
| State aid unrestricted          |                     |                         |  |   | 3,604,015   |
| Miscellaneous income            |                     |                         |  |   | <u>77,531</u>   |
| Total general purpose revenue   |                     |                         |  |   | <u>3,681,546</u>  |
| Change in net position          |                     |                         |  |   | (81,064)  |
| Net position, beginning of year |                     |                         |  |   | <u>352,681</u>  |
| Net position, end of year       |                     |                         |  |   | <u>\$ 271,617</u>   |

The accompanying notes to basic financial statements are an integral part of these statements.

**Thomas Carr Howe Community High School  
Balance Sheet - Governmental Funds  
June 30, 2016**

|  | <u>General<br/>Fund</u> | <u>Title I -<br/>School<br/>Improvement<br/>Grant</u> | <u>Title I</u>    | <u>Total<br/>Nonmajor<br/>Funds</u> | <u>Total</u>        |
|--|-------------------------|---|-------------------|-------------------------------------|---------------------|
| <b>Assets:</b>                           |                         |   |                   |                                     |                     |
| Cash                                     | \$ 118,385              | \$ -  | \$ -              | \$ -                                | \$ 118,385          |
| Other receivables                        | 8,018                   | -   | -                 | -                                   | 8,018               |
| Due from other governments               | 463,816                 | 110,020   | 206,504           | 30,571                              | 810,911             |
| Due from other funds                     | 347,095                 | -   | -                 | -                                   | 347,095             |
| Due from other schools                   | 159,430                 | -   | -                 | -                                   | 159,430             |
| Prepaid items                            | 6,759                   | -   | -                 | -                                   | 6,759               |
| Deposits                                 | 6,689                   | -   | -                 | -                                   | 6,689               |
|  | <u>1,110,192</u>        | <u>110,020</u>  | <u>206,504</u>    | <u>30,571</u>                       | <u>1,457,287</u>    |
| Total Assets                             | \$ <u>1,110,192</u>     | \$ <u>110,020</u>                                     | \$ <u>206,504</u> | \$ <u>30,571</u>                    | \$ <u>1,457,287</u> |
| <b>Liabilities:</b>                      |                         |   |                   |                                     |                     |
| Accounts payable and accrued liabilities | \$ 961,003              | \$ -  | \$ -              | \$ -                                | \$ 961,003          |
| Salaries and wages payable               | 149,189                 | -   | -                 | -                                   | 149,189             |
| Due to other funds                       | -                       | 110,020   | 206,504           | 30,571                              | 347,095             |
|  | <u>1,110,192</u>        | <u>110,020</u>  | <u>206,504</u>    | <u>30,571</u>                       | <u>1,457,287</u>    |
| Total liabilities                        | 1,110,192               | 110,020   | 206,504           | 30,571                              | 1,457,287           |
| <b>Fund Balances</b>                     |                         |   |                   |                                     |                     |
|  | <u>-</u>                | <u>-</u>  | <u>-</u>          | <u>-</u>                            | <u>-</u>            |
| Total                                    | \$ <u>1,110,192</u>     | \$ <u>110,020</u>                                     | \$ <u>206,504</u> | \$ <u>30,571</u>                    | \$ <u>1,457,287</u> |

**Reconciliation of the Balance Sheet of  
Governmental Funds to the Statement of  
Net Position**

|   |                   |
|---|-------------------|
| <b>Total governmental fund balance</b>  | \$ -              |
| <b>Capital assets used in governmental activities are not<br/>financial resources and are not reported in the funds:</b>  |                   |
| Capital assets cost   | 1,429,815         |
| Accumulated depreciation  | (993,359)         |
| <b>Long-term assets are not available to pay for current period<br/>expenditures and, therefore, are not recorded in the funds:</b>   |                   |
| Deferred outflows related to pensions   | 159,530           |
| <b>Liabilities not payable with current available resources<br/>are not reported as fund liabilities in the governmental<br/>fund statements. All liabilities, both current and long-term<br/>are reported in the government-wide statements:</b> |                   |
| Net pension liability   | (288,203)         |
| Deferred inflows related to pensions  | (4,923)           |
| Compensated absences  | (31,243)          |
| <b>Net position of governmental activities</b>  | <u>\$ 271,617</u> |

The accompanying notes to basic financial statements are an integral part of these statements.

**Thomas Carr Howe Community High School  
Statement of Revenues, Expenditures and  
Change in Fund Balances - Governmental Funds  
For the Year Ended June 30, 2016**

|   | General<br>Fund  | Title I -<br>School<br>Improvement<br>Grant | Title I        | Total<br>Nonmajor<br>Funds | Total              |
|---|------------------|---|----------------|----------------------------|--------------------|
| <b>Revenues:</b>  |                  |   |                |                            |                    |
| State aid   | \$ 3,914,291     | \$ -  | \$ -           | \$ 317,415                 | \$ 4,231,706       |
| Federal sources   | 575,300.00       | 734,548                                     | 575,300        | 413,187                    | 1,723,035          |
| Private sources   | 686,974          | -   | -              | -                          | 686,974            |
| Other income  | 77,531           | -   | -              | -                          | 77,531             |
| Total revenues  | <u>5,254,096</u> | <u>734,548</u>                              | <u>575,300</u> | <u>730,602</u>             | <u>6,719,246</u>   |
| <b>Expenditures:</b>  |                  |   |                |                            |                    |
| Costs of school operations  | 5,028,602        | 734,548                                     | 439,193        | 519,709                    | 6,282,859          |
| Food services   | 18,527           | -   | -              | 210,893                    | 229,420            |
| Capital outlay  | 206,967          | -   | 136,107        | -                          | 206,967            |
| Total expenditures  | <u>5,254,096</u> | <u>734,548</u>                              | <u>575,300</u> | <u>730,602</u>             | <u>6,719,246</u>   |
| Net Change in Fund Balances   | -                | -   | -              | -                          | -                  |
| Fund Balances - beginning of year   | -                | -   | -              | -                          | -                  |
| Fund Balances - end of year   | <u>\$ -</u>      | <u>\$ -</u>                                 | <u>\$ -</u>    | <u>\$ -</u>                | <u>\$ -</u>        |
| <b>Reconciliation of the Statement of Revenues,<br/>Expenditures and Changes in Fund Balance of<br/>Governmental Funds to the Statement of Activities</b>                           |                  |   |                |                            |                    |
| Net change in fund balance - total governmental funds   |                  |   |                |                            | \$ -               |
| Governmental funds report capital outlays as expenditures, in the statement of activities these costs are allocated over their useful lives as depreciation:                        |                  |   |                |                            |                    |
| Cost of capital assets  |                  |   |                |                            | 206,967            |
| Provision for depreciation  |                  |   |                |                            | (290,141)          |
| Certain items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds: |                  |   |                |                            |                    |
| Change in net pension liability   |                  |   |                |                            | (107,864)          |
| Changes in deferred outflows related to pensions  |                  |   |                |                            | 38,620             |
| Change in deferred inflows related to pensions  |                  |   |                |                            | 72,024             |
| Change in compensated absences  |                  |   |                |                            | (670)              |
| Change in net position of governmental activities   |                  |   |                |                            | <u>\$ (81,064)</u> |

The accompanying notes to basic financial statements are an integral part of these statements.

**Thomas Carr Howe Community High School  
Statement of Assets and Liabilities - Agency Fund  
June 30, 2016**

---

|                           | <u>Student<br/>Activities</u> |
|---------------------------|-------------------------------|
| <b>Assets:</b>            |                               |
| Cash and cash equivalents | \$ <u>35,944</u>              |
| Total current assets      | \$ <u><u>35,944</u></u>       |
| <br><b>Liabilities:</b>   |                               |
| Due to students           | \$ <u>35,944</u>              |
| Total liabilities         | \$ <u><u>35,944</u></u>       |

The accompanying notes to basic financial statements are an integral part of these statements.

### Note 1 - Organization and Operations

In 2011, the State Board of Education (“SBOE”) exercised its statutory authority to intervene in the management of certain schools that had been deemed failing for six years under Public Law 221 and the state’s school accountability system. As a result, the SBOE assigned the Indiana Department of Education (“IDOE”) to contract with third party “turnaround school operators” to manage the schools during the turnaround process. The schools were part of the Indianapolis Public Schools District. In 2013, the mayor of the City of Indianapolis successfully petitioned the SBOE for oversight of the turnaround school operators that manage these schools from the IDOE to Office of Education Innovation (“OEI”). In June 2015, Indianapolis turnaround schools transitioned to joint oversight by the SBOE and IDOE. Thomas Carr Howe Community High School (the “School”) is one of the turnaround schools.

### Note 2 - Summary of Significant Accounting Policies

**Basis of presentation:** The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School’s accounting policies are described below:

**Government-wide basic financial statements:** The School's basic financial statements include both government-wide (reporting the School as a whole) and fund financial statements (reporting the School's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the School's activities are classified as governmental activities.

In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis, if applicable, and is reported on a full accrual, economic resource basis, which recognizes all noncurrent assets and receivables as well as all noncurrent debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The net costs, by function, are also supported by general revenues (unrestricted contributions, miscellaneous revenue, etc.). The statement of activities reduces gross expenses by related program revenues, operating and capital grants and contributions. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the year ended June 30, 2016 the School had program revenues of \$ 3,037,700.

This government-wide focus is more on the ability to sustain the School as an entity and the change in the School's net position resulting from the current year's activities.

**Fund financial statements:** The accounts of the School are organized on the basis of funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures.

The School reports the following major governmental funds:

**General Fund** - This fund is used to account for all operating activities of the School except for those required to be accounted for in another fund.

**Note 2 - Summary of Significant Accounting Policies (continued)**

**Title I - School Improvement Grant Fund** - This fund is used to account for all federal dollars received under this Title I program.

**Title I Fund** - This fund is used to account for all federal dollars received under this Title I program.

**Measurement focus and basis of accounting:** Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the governmental-wide statement uses the economic resources measurement focus.

Governmental activity in the government-wide basic financial statements is presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds basic financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within sixty days after year-end or soon enough thereafter to be used to pay liabilities of the current period. The School uses an availability period of six months for recognition of governmental grant revenue.

**Cash and cash equivalents:** The School considers all demand accounts and money market funds which are not subjected to withdrawal restrictions to be cash and cash equivalents. The School routinely maintains cash balances at a financial institution which exceeds federally insured amounts. The School has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk associated with its cash and cash equivalents.

**Prepaid items:** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Due to and due from other funds:** Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

**Capital assets:** Property and equipment purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with a cost of \$ 750 and useful life of over one year. Donated property and equipment assets are valued at the estimated fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related fixed assets. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all capital assets is provided on the straight-line basis over the estimated useful lives as follows:

|                         |         |
|-------------------------|---------|
| Furniture and equipment | 5 years |
| Computer equipment      | 3 years |

## Note 2 - Summary of Significant Accounting Policies (continued)

**Deferred outflows/inflows of resources:** In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School has deferred outflows relating to the net pension liability that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The School has deferred inflows relating to the net pension liability that qualify for reporting in this category.

**Unearned revenue:** Unearned revenue arises when the School receives resources before it has a legal claim to them.

**Compensated absences:** The School's policy permits employees to accumulate earned but unused paid time off, which is eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Payments for compensated absences are generally paid out of the General Fund.

**Net position:** Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation reduced by the outstanding balances of borrowings used for the acquisition, construction or improvement of those assets.
- Restricted - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net position that is available to fund future operations.

Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statement, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

## Note 2 - Summary of Significant Accounting Policies (continued)

**Fund balance:** The governmental fund financial statements present fund balances based on the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental fund financial statements:

- **Nonspendable** - this classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The School classifies inventories, prepaid items, long-term notes receivable and deposits as nonspendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted** - this classification includes amounts that are restricted for specific purposes by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation.
- **Committed** - this classification includes amounts that can be used for specific purposes voted on through formal action of the governing body. The committed amount cannot be used for any other purpose unless the governing body removes or changes the commitment through formal action.
- **Assigned** - this classification includes amounts that the governing body intends to use for a specific purpose but they are neither restricted nor committed. The School classifies existing fund balance to be used in the subsequent year's budget for elimination of a deficit as assigned.
- **Unassigned** - this classification includes amounts that have not been restricted, committed or assigned for a specific purpose within the General Fund.

The details of the fund balances are included in the Governmental Fund Balance Sheet on page 10.

Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the government fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School's policy to consider restricted fund balance to have been depleted before using any of components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Budget:** Annual budgets are adopted on a basis utilizing accounting principles generally accepted in the United States of America and consistent with state law for the general and special revenue funds. The budget document presents information by function.

**Use of estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Reclassifications:** Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**Note 2 - Summary of Significant Accounting Policies (continued)**

**Date of management review:** Subsequent events were evaluated by management through April 25, 2017, which is the date the financial statements were available to be issued.

**Note 3 - Due From Other Governments**

Due from other governments at June 30, 2016 consists of amounts due from the State of Indiana for Title I funding, Perkins Grant funding, School Improvement Grant funding, IDEA funding, 21<sup>st</sup> Century Grant funding, and transportation funding.

**Note 4 - Capital Assets**

Capital asset balances and activity for the year ended June 30, 2016 are as follows:

|                                   | Balance at<br>July 1,<br>2015 | Additions          | Deletions   | Balance at<br>June 30,<br>2016 |
|-----------------------------------|-------------------------------|--------------------|-------------|--------------------------------|
| Capital assets, depreciable:      |                               |                    |             |                                |
| Furniture and equipment           | \$ 240,333                    | \$ 4,253           | \$ -        | \$ 244,586                     |
| Computer equipment                | 982,515                       | 202,714            | -           | 1,185,229                      |
| Total capital assets, depreciable | <u>1,222,848</u>              | <u>206,967</u>     | <u>-</u>    | <u>1,429,815</u>               |
| Accumulated depreciation:         |                               |                    |             |                                |
| Furniture and equipment           | 85,517                        | 50,046             | -           | 135,563                        |
| Computer equipment                | 617,701                       | 240,095            | -           | 857,796                        |
| Total accumulated depreciation    | <u>703,218</u>                | <u>290,141</u>     | <u>-</u>    | <u>993,359</u>                 |
| Net capital assets                | <u>\$ 519,630</u>             | <u>\$ (83,174)</u> | <u>\$ -</u> | <u>\$ 436,456</u>              |

**Note 5 - Due from Other Schools**

The School, Emma Donnan Middle School, Emma Donnan Elementary School, and Emmerich Manual High School are related as they are all divisions of the Indiana Department of Education which are operated by CSUSA (Note 6). As of June 30, 2016, the financial statements include an amount due from these schools of \$ 159,430 for shared expenses.

**Note 6 - School Operation Contract**

The Indiana Department of Education entered into a contract with Charter Schools USA, Inc. ("CSUSA") as a turnaround school operator to perform all duties and obligations necessary to operate the School. The contract commenced on July 1, 2012 and shall remain in effect through June 30, 2016. The contract was renewed for an additional two (2) years. Pursuant to the contract, CSUSA shall receive monthly payments based upon the yearly ADM counts, which occur in September and February, as provided for under Indiana Code 20-43.

The School's accounts payable balance has an amount due to CSUSA for \$ 801,296 for invoiced services.

## **Note 7 - Retirement Plans**

The employees of the School have the option of participating in one of the following Plans:

### 401(k) Plan

During the year ended June 30, 2016, the School offered all of its full-time employees who had attained 21 years of age, a retirement plan under Internal Revenue Code Section 401(k). The employee is allowed to contribute up to a maximum of 100% of his/her annual gross compensation, subject to certain limitations. The School contributed a matching amount of \$ 2,792 for the year ended June 30, 2016.

### Indiana Public Retirement System

#### **Plan Description**

The School elected to become a participating employer in the Indiana Public Retirement System (INPRS), a cost-sharing multiple employer retirement system that acts as a common investment and administrative agent for units of state and local government in Indiana. INPRS is governed by state statutes I.C.S. 5-10.2 and 5-10.3. As such, it is INPRS's responsibility to administer the law in accordance with the expressed intent of the Indiana General Assembly. The School contributes to two plans under INPRS; the Public Employees' Retirement Fund (PERF) and the State Teachers' Retirement Fund 1996 Account (TRF 1996). Both are qualified plans under Internal Revenue Code Section 401(a) and are tax exempt.

#### **Benefits**

PERF and TRF 1996 are contributory defined benefit plans that cover substantially all School employees. Retirement benefits vest after 10 years of service. Participants are eligible for early retirement with 100% of the defined benefit plan if certain conditions are met. A participant may retire with full benefits at age 60 with 15 or more years of service or at age 55 if the participant's age plus years of service equals 85 or more (Rule of 85). If neither of the above conditions are met, a participant may retire with 100% of the pension benefit at age 65 with 10 or more years of service. This annual pension is equal to 1.1% times the average annual salary times the number of years and months of INPRS-covered employment. The average annual salary used for calculating the pension benefit is an average of the participant's highest five years of employment earning within the 10 years preceding retirement. Participants who retire between the ages of 50 and 59 with 15 or more years of service receive a pension benefit that is reduced by various percentages according to the participant's age.

Participants have two choices regarding their annuity savings account which holds their required contributions. They may elect to receive the contributions and accumulated earnings in a lump sum at retirement, or, they may choose to receive the annuity amount as a monthly supplement to their employer-provided pension described in the paragraph above.

#### **Contributions**

The participants are required to make a contribution of 3% of their annual salary to an annuity savings account that may be withdrawn at any time with interest should a participant terminate employment. The School is required by State statute to contribute at an actuarially determined rate. The rate for PERF was 11.2% of annual covered payroll. The rate for TRF 1996 was 7.5% of annual covered payroll. The contribution requirements of participants are determined by State statute. The School's contributions, including employee contributions, to the plan totaled \$ 78,250 for the year ended June 30, 2016.

**Note 7 - Retirement Plans (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2016, the School reported a liability of \$ 288,203 for its proportionate share of the 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 liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on a projection of the School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the School's proportion was .0000538 percent, which was a decrease of .0000110 percentage points from its proportion measured as of June 30, 2014 for PERF and the School's proportion was .0001313 percent, which was a decrease of .0000794 percentage points from its proportion measured as of June 30, 2014 for TRF 1996.

For the year ended June 30, 2016, the School recognized pension expense of \$ 51,424. At June 30, 2016, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | PERF                           |                               | TRF 1996                       |                               |
|---|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
|   | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience  | \$ 8,951                       | \$ -                          | \$ -                           | \$ (4,923)                    |
| Net difference between projected and actual earnings on pension plan investments                            | 16,337                         | -                             | 8,915                          | -                             |
| Change of assumptions   | 18,520                         | -                             | 32,174                         | -                             |
| Changes in proportion and differences between School contributions and proportionate share of contributions | 6,722                          | -                             | 1,005                          | -                             |
| School contributions subsequent to the measurement date   | 25,960                         | -                             | 40,946                         | -                             |
| Total   | \$ <u>76,490</u>               | \$ <u>-</u>                   | \$ <u>83,040</u>               | \$ <u>(4,923)</u>             |

\$ 66,906 reported as deferred outflows of resources related to pensions resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the 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: | PERF      | TRF 1996  |
|---------------------|-----------|-----------|
| 2017                | \$ 16,142 | \$ 2,965  |
| 2018                | \$ 16,142 | \$ 2,965  |
| 2019                | \$ 9,011  | \$ 2,965  |
| 2020                | \$ 9,235  | \$ 9,674  |
| 2021                | \$ -      | \$ 2,414  |
| Thereafter          | \$ -      | \$ 16,188 |

**Note 7 - Retirement 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 pensions included in the measurement:

|                          | PERF        | TRF 1996       |
|--------------------------|-------------|----------------|
| Future salary increases  | 2.50%-4.25% | 2.50% - 12.50% |
| Inflation                | 2.25%       | 2.25%          |
| Cost of living increases | 1.00%       | 1.00%          |

Mortality rates were based on the mortality table from the RP-2014 Mortality Table with Social Security Administration generational improvement scale from 2016. The demographic assumptions were updated as needed for the June 30, 2015 actuarial valuation based on results of the study.

For the PERF, the most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2015 actuarial valuation based on the results of the study. For the TRF 1996, the actuarial assumptions used in the June 30, 2015 valuation are based on plan experience from July 1, 2011 to June 30, 2014.

The long-term return expectation for the defined benefit retirement plans was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| Asset Class                          | Target Allocation | Long-Term Expected Real Rate of Return |
|--------------------------------------|-------------------|--|
| Fixed income - ex inflation - linked | 24.0%             | 2.7%                                   |
| Fixed income - inflation - linked    | 7.0%              | 0.7%                                   |
| Public equity                        | 22.0%             | 5.7%                                   |
| Real estate                          | 7.0%              | 2.7%                                   |
| Private equity                       | 10.0%             | 6.2%                                   |
| Commodities                          | 8.0%              | 2.0%                                   |
| Absolute return                      | 10.0%             | 4.0%                                   |
| Risk parity                          | 12.0%             | 5.0%                                   |
| Total                                | 100.0%            |  |

**Discount rate:** The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on these assumptions, the defined benefit pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Note 7 - Retirement Plans (continued)**

**Sensitivity of the School's proportion share of the net pension liability to changes in the discount rate:** The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 6.75 percent, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

|  | <u>1%<br/>Decrease<br/>(5.75%)</u> | <u>Current<br/>Discount<br/>Rate<br/>(6.75%)</u> | <u>1%<br/>Increase<br/>(7.75%)</u> |
|--|------------------------------------|--|------------------------------------|
| School's proportionate share of the net pension liability for PERF             | \$ 323,176                         | \$ 219,089                                       | \$ 132,679                         |
| School's proportionate share of the net pension liability (asset) for TRF 1996 | \$ 184,801                         | \$ 69,114  | \$ (22,614)                        |

**Pension plan fiduciary net position:** Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (888) 526-1687, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

**Note 8 - Risk Financing**

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The School has obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during the past three years.

# REQUIRED SUPPLEMENTARY INFORMATION

**Thomas Carr Howe Community High School  
 Budgetary Comparison Schedule  
 For the Year Ended June 30, 2016**

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|  | <u>Original<br/>and Final<br/>Budget</u> | <u>Actual</u>      | <u>Variance</u>    |
|--|--|--------------------|--------------------|
| <b>Revenues:</b>                       |  |                    |                    |
| State aid                              | \$ 5,625,653                             | \$ 4,231,706       | \$ (1,393,947)     |
| Federal sources                        | 1,989,743                                | 1,723,035          | (266,708)          |
| Private sources                        | 68,840                                   | 686,974            | 618,134            |
| Other income                           | <u>77,864</u>                            | <u>77,531</u>      | <u>(333)</u>       |
| Total revenues                         | <u>7,762,100</u>                         | <u>6,719,246</u>   | <u>(1,042,854)</u> |
| <b>Expenditures:</b>                   |  |                    |                    |
| Costs of school operations             | 7,381,825                                | 6,282,859          | 1,098,966          |
| Food services                          | 260,695                                  | 229,420            | 31,275             |
| Capital outlay                         | <u>119,580</u>                           | <u>206,967</u>     | <u>(87,387)</u>    |
| Total expenditures                     | <u>7,762,100</u>                         | <u>6,719,246</u>   | <u>1,042,854</u>   |
| <b>Net Change in Fund Balance</b>      | -  | -                  | -                  |
| <b>Fund Balance, beginning of year</b> | <u>-</u>                                 | <u>-</u>           | <u>-</u>           |
| <b>Fund Balance, end of year</b>       | \$ <u><u>-</u></u>                       | \$ <u><u>-</u></u> | \$ <u><u>-</u></u> |

**Thomas Carr Howe Community High School  
Schedule of Proportionate Share of Net Pension Liability  
Public Employees' Retirement Fund  
Last 10 Fiscal Years \*  
(Unaudited)**

|   | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|-------------|
| Thomas Carr Howe Community High School's proportion of the net pension liability  | 0.0000424%  | 0.0000538%  | 0.0000648%  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability   | \$ 192,562  | \$ 219,089  | \$ 170,319  |
| Thomas Carr Howe Community High School's covered-employee payroll   | \$ 203,376  | \$ 257,685  | \$ 316,375  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 94.68%      | 85.02%      | 53.83%      |
| Plan fiduciary net position as a percentage of total pension liability  | 75.3%       | 77.3%       | 84.3%       |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School  
Schedule of Proportionate Share of Net Pension Liability  
Teachers' Retirement Fund 1996 Account  
Last 10 Fiscal Years \*  
(Unaudited)**

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|   | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|-------------|
| Thomas Carr Howe Community High School's proportion of the net pension liability  | 0.0001698%  | 0.0001313%  | 0.0002107%  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability   | \$ 132,493  | \$ 69,114   | \$ 10,020   |
| Thomas Carr Howe Community High School's covered-employee payroll   | \$ 488,956  | \$ 359,712  | \$ 545,325  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 27.10%      | 19.21%      | 1.84%       |
| Plan fiduciary net position as a percentage of total pension liability  | 87.8%       | 91.1%       | 99.1%       |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School  
Schedule of Contributions  
Public Employees' Retirement Fund  
Last 10 Fiscal Years \*  
(Unaudited)**

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|  | <u>2016</u>        | <u>2015</u>        | <u>2014</u>        |
|--|--------------------|--------------------|--------------------|
| Contractually required contribution                                  | \$ 20,746          | \$ 31,404          | \$ 54,715          |
| Contributions in relation to the contractually required contribution | <u>20,746</u>      | <u>31,404</u>      | <u>54,715</u>      |
| Contribution deficiency (excess)                                     | \$ <u><u>-</u></u> | \$ <u><u>-</u></u> | \$ <u><u>-</u></u> |
| Thomas Carr Howe Community High School's covered employee payroll    | \$ 203,376         | \$ 257,685         | \$ 316,375         |
| Contributions as a percentage of covered payroll                     | 10.20%             | 12.19%             | 17.29%             |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School  
Schedule of Contributions  
Teachers' Retirement Fund 1996 Account  
Last 10 Fiscal Years \*  
(Unaudited)**

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|  | <u>2016</u>        | <u>2015</u>        | <u>2014</u>        |
|--|--------------------|--------------------|--------------------|
| Contractually required contribution                                  | \$ 34,458          | \$ 29,614          | \$ 54,599          |
| Contributions in relation to the contractually required contribution | <u>34,458</u>      | <u>29,614</u>      | <u>54,599</u>      |
| Contribution deficiency (excess)                                     | \$ <u><u>-</u></u> | \$ <u><u>-</u></u> | \$ <u><u>-</u></u> |
| Thomas Carr Howe Community High School's covered employee payroll    | \$ 488,956         | \$ 359,712         | \$ 545,325         |
| Contributions as a percentage of covered payroll                     | 7.05%              | 8.23%              | 10.01%             |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School  
Schedule of Investment Returns  
Public Employees' Retirement Fund  
Last 10 Fiscal Years \*  
(Unaudited)**

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|  | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------|-------------|
| Annual money-weighted annual rate of return,<br>net of investment expenses | 1.11%       | 0.32%       | 12.33%      |

\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

**Thomas Carr Howe Community High School  
Schedule of Investment Returns  
Teachers' Retirement Fund 1996 Account  
Last 10 Fiscal Years \*  
(Unaudited)**

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|  | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------|-------------|
| Annual money-weighted annual rate of return,<br>net of investment expenses | 1.01%       | 0.57%       | 12.71%      |

\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

## ADDITIONAL INFORMATION

**Thomas Carr Howe Community High School  
Combining Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Nonmajor Governmental Funds  
For the Year Ended June 30, 2016**

|                                    | <u>School<br/>Lunch</u> | <u>Title II</u> | <u>IDEA</u>    | <u>Perkins</u> | <u>21st Century<br/>Community<br/>Learning<br/>Centers</u> | <u>Total<br/>Nonmajor<br/>Governmental<br/>Funds</u> |
|------------------------------------|-------------------------|-----------------|----------------|----------------|--|--|
| <b>Revenues:</b>                   |                         |                 |                |                |  |  |
| State sources                      | \$ 215                  | \$ -            | \$ 317,200     | \$ -           | \$ -   | \$ 317,415   |
| Federal sources                    | <u>210,678</u>          | <u>17,576</u>   | <u>22,218</u>  | <u>43,155</u>  | <u>119,560</u>   | <u>413,187</u>                                       |
| Total revenue                      | <u>210,893</u>          | <u>17,576</u>   | <u>339,418</u> | <u>43,155</u>  | <u>119,560</u>   | <u>730,602</u>                                       |
| <b>Expenditures:</b>               |                         |                 |                |                |  |  |
| Current:                           |                         |                 |                |                |  |  |
| Costs of school operations         | -                       | 17,576          | 339,418        | 43,155         | 119,560  | 519,709  |
| Food services                      | 210,893                 | -               | -              | -              | -  | 210,893  |
| Capital outlay                     | <u>-</u>                | <u>-</u>        | <u>-</u>       | <u>-</u>       | <u>-</u>   | <u>-</u>   |
| Total expenditures                 | <u>210,893</u>          | <u>17,576</u>   | <u>339,418</u> | <u>43,155</u>  | <u>119,560</u>   | <u>730,602</u>                                       |
| <b>Net Change in Fund Balances</b> | -                       | -               | -              | -              | -  | -  |
| <b>Fund Balances, beginning</b>    | <u>-</u>                | <u>-</u>        | <u>-</u>       | <u>-</u>       | <u>-</u>   | <u>-</u>   |
| <b>Fund Balances, ending</b>       | <u>\$ -</u>             | <u>\$ -</u>     | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>  | <u>\$ -</u>  |

# SUPPLEMENTAL SCHEDULES

**Thomas Carr Howe Community High School  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2016**

| Federal Grantor/Pass-Through Grantor/<br>Program Title                     | CFDA<br>Number | Contract/Grant Number | Expenditures        | Transfers to<br>Subrecipients |
|--|----------------|-----------------------|---------------------|-------------------------------|
| <b>Federal Agency Name:</b>  |                |                       |                     |                               |
| U.S. Department of Agriculture -   |                |                       |                     |                               |
| Passed through the Indiana Department of Agriculture -                     |                |                       |                     |                               |
| Child Nutrition Cluster -  |                |                       |                     |                               |
| National School Breakfast Program  | 10.553         | -                     | \$ 29,358           | \$ -                          |
| National School Lunch Program  | 10.555         | -                     | <u>181,320</u>      | <u>-</u>                      |
| Total Child Nutrition Cluster  |                |                       | <u>210,678</u>      | <u>-</u>                      |
| Total U.S. Department of Agriculture                                       |                |                       | <u>210,678</u>      | <u>-</u>                      |
| U.S. Department of Education -   |                |                       |                     |                               |
| Passed through the Indiana Department of Education -                       |                |                       |                     |                               |
| Title I Cluster  |                |                       |                     |                               |
| Title I Grants to Local Educational Agencies                               | * 84.010       | -                     | 575,300             | -                             |
| Title I Grants to Local Educational Agencies<br>- School Improvement Grant | * 84.010A      | -                     | <u>734,548</u>      | <u>-</u>                      |
| Total Title I Cluster  |                |                       | <u>1,309,848</u>    | <u>-</u>                      |
| Title II Improving Teacher Quality   | 84.367         | -                     | 17,576              | -                             |
| Career and Technical Education   | 84.048         |                       | 43,155              |                               |
| Special Education Grants to States - IDEA, Part B                          | 84.027         | -                     | 22,218              | -                             |
| 21st Century Community Learning Centers Grant                              | 84.287         | -                     | <u>119,560</u>      | <u>-</u>                      |
| Total U.S. Department of Education   |                |                       | <u>1,512,357</u>    | <u>-</u>                      |
| Total expenditures of federal awards                                       |                |                       | <u>\$ 1,723,035</u> | <u>\$ -</u>                   |

\* Denotes a major program

**Thomas Carr Howe Community High School**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2016**

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**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the grant activity of Thomas Carr Howe Community High School and is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in these schedules may differ from amounts presented in or used in the preparation of the financial statements.

**Note 2 - Contingency**

The grants and contracts revenue received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the Organization. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable Federal, state and local laws and regulations.

**Note 3 - Indirect Cost Rate**

The Organization did not elect to use the 10% de minimis indirect cost rate.

# INTERNAL CONTROLS AND COMPLIANCE

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Office of Education Innovation  
Thomas Carr Howe Community High School  
A Division of the Indiana Department of Education  
Indianapolis, Indiana

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 Thomas Carr Howe Community High School (the "School"), a Division of the Indiana Department of Education, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated April 25, 2017.

**Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School'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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*Keefe McCullough*

KEEFE McCULLOUGH

Fort Lauderdale, Florida  
April 25, 2017

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Office of Education Innovation  
Thomas Carr Howe Community High School  
A Division of the Indiana Department of Education  
Indianapolis, Indiana

**Report on Compliance for Each Major Federal Program**

We have audited Thomas Carr Howe Community High School's (the "School"), a Division of the Indiana Department of Education, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2016. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

### **Report on Internal Control Over Compliance**

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
April 25, 2017

**Thomas Carr Howe Community High School  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2016**

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**A. Summary of Auditor’s Results**

1. The auditor’s report expresses an unmodified opinion on the financial statements of Thomas Carr Howe Community High School.
2. No material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Thomas Carr Howe Community High School were disclosed during the audit.
4. No material weaknesses relating to the audit of the major Federal program is reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditor’s report on compliance for the major Federal program for Thomas Carr Howe Community High School expresses an unmodified opinion.
6. There are no audit findings relative to the major Federal program for Thomas Carr Howe Community High School reported in Part C of this schedule.
7. The program tested as a major program is as follows:

| <u>Federal Program</u>   | <u>CFDA No.</u> |
|--|-----------------|
| U.S. Department of Education -<br>Title I Grants to Local Educational Agencies | 84.010          |
| Title I Grants to Local Educational Agencies -<br>School Improvement Grant     | 84.010A         |

8. The threshold for distinguishing Types A and B programs was \$ 750,000.
9. Thomas Carr Howe Community High School was determined to be a low-risk auditee.

**B. Findings - Financial Statements Audit**

No matters were reported.

**C. Findings and Questioned Costs - Major Federal Awards Program**

No matters were reported.

**D. Other Issues**

1. No management letter is required because there were no findings required to be reported in a separate management letter.
2. No schedule of prior audit findings is required because there were no prior audit findings related to Federal programs.
3. No corrective action plan is required because there were no findings reported under the Uniform Guidance.

# Thomas Carr Howe Community High School

A Division of the Indiana Department of Education

Basic Financial Statements  
For the Year Ended June 30, 2015

# Thomas Carr Howe Community High School

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## Thomas Carr Howe Community High School

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## INDEPENDENT AUDITOR'S REPORT

To the Office of Education Innovation  
Thomas Carr Howe Community High School  
A Division of the Indiana Department of Education  
Indianapolis, Indiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Thomas Carr Howe Community High School (the "School"), a Division of the Indiana Department of Education, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

CPA's + Trusted Advisors

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules related to pensions and budgetary comparison information on pages 4 through 7 and 23 through 29, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The combining and individual nonmajor fund financial schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepting in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The combining and individual nonmajor fund financial schedule is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
April 14, 2016

# MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Thomas Carr Howe Community High School (the "School"), a Division of the Indiana Department of Education, we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School for the year ended June 30, 2015 and 2014.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide, in layman's terms, the current position of the School's financial condition. This summary should not be taken as a replacement for the audit which consists of the basic financial statements.

### **Financial Highlights**

For the fiscal year ended June 30, 2015, total assets and deferred outflows were \$ 1,567,952, total liabilities and deferred inflows were \$ 1,215,271, and total net position was \$ 352,681. For the fiscal year ended June 30, 2014, total assets and deferred outflows were \$ 2,063,592, total liabilities were \$ 1,726,327, and total net position was \$ 337,265.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

**Government-Wide Basic Financial Statements:** The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of the School's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected revenues and services rendered but unpaid).

The government-wide financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

The government-wide basic financial statements can be found on pages 8 and 9 of this report.

**Fund Basic Financial Statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide basic financial statements, governmental fund basic financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains several individual governmental funds. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balances. The General Fund and the Title I - School Improvement Grant Fund are considered to be the School's major funds.

The School adopts an annual budget for its governmental funds. A budgetary comparison schedule has been provided to demonstrate compliance with the budget.

The governmental fund financial statements can be found on pages 10 and 11 of this report.

**Agency Fund:** In addition, the School has one Agency Fund which is a student activity fund. This fund is formed for education and school purposes.

The Agency Fund financial statement can be found on page 12 of this report. The assets and liabilities of this fund are not included in the government-wide statement of net position.

**Notes to Basic Financial Statements:** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 13 through 22 of this report.

### **Government-Wide Financial Analysis**

The School's net position was \$ 352,681 at June 30, 2015. The amount of \$ 519,630 represents net investment in capital assets and (\$ 166,949) represents unrestricted net position (deficit). The School's net position was \$ 337,265 at June 30, 2014, which represents net investment in capital assets of \$ 505,265 and unrestricted position (deficit) of (\$ 168,000).

**Thomas Carr Howe Community High School  
Management's Discussion and Analysis  
June 30, 2015**

Our analysis in the table below focuses on the net position of the School's governmental activities:

**Thomas Carr Howe Community High School  
Net Position**

|                                       | <u>June 30,<br/>2015</u> | <u>June 30,<br/>2014</u> |
|---------------------------------------|--------------------------|--------------------------|
| <b>Assets:</b>                        |                          |                          |
| Current and other assets              | \$ 927,412               | \$ 1,449,013             |
| Capital assets, net of depreciation   | 519,630                  | 505,265                  |
| Total assets                          | <u>1,447,042</u>         | <u>1,954,278</u>         |
| <b>Deferred Outflows of Resources</b> |                          |                          |
|                                       | <u>120,910</u>           | <u>109,314</u>           |
| <b>Liabilities:</b>                   |                          |                          |
| Current liabilities                   | 950,342                  | 1,469,608                |
| Noncurrent liabilities                | 187,982                  | 256,719                  |
| Total liabilities                     | <u>1,138,324</u>         | <u>1,726,327</u>         |
| <b>Deferred Inflows of Resources</b>  |                          |                          |
|                                       | <u>76,947</u>            | <u>-</u>                 |
| <b>Net Position:</b>                  |                          |                          |
| Net investment in capital assets      | 519,630                  | 505,265                  |
| Unrestricted (deficit)                | <u>(166,949)</u>         | <u>(168,000)</u>         |
| Total net position                    | <u>\$ 352,681</u>        | <u>\$ 337,265</u>        |

***Governmental Activities***

The results of this year's operations for the School as a whole are reported in the statement of activities on page 9. The following table provides a condensed presentation of the School's revenues and expenses for the year ended June 30, 2015 and 2014:

**Thomas Carr Howe Community High School  
Change in Net Position**

|  | <u>June 30,<br/>2015</u> | <u>June 30,<br/>2014</u> |
|--|--------------------------|--------------------------|
| <b>Revenues:</b>                       |                          |                          |
| General revenues:                      |                          |                          |
| State aid unrestricted                 | \$ 4,791,458             | \$ 5,122,831             |
| Miscellaneous income                   | 75,117                   | 68,423                   |
| Program revenues:                      |                          |                          |
| Charges for services                   | 67,126                   | 67,178                   |
| Operating grants and contributions     | <u>2,792,604</u>         | <u>2,911,268</u>         |
| Total revenues                         | <u>7,726,305</u>         | <u>8,169,700</u>         |
| <b>Functions/Program Expenses:</b>     |                          |                          |
| Costs of school operations             | 7,452,520                | 7,994,876                |
| Food services                          | <u>258,369</u>           | <u>283,129</u>           |
| Total governmental activities          | <u>7,710,889</u>         | <u>8,278,005</u>         |
| Change in net position                 | 15,416                   | (108,305)                |
| <b>Net position, beginning of year</b> | 337,265                  | 586,110                  |
| <b>Restatement</b>                     | <u>-</u>                 | <u>(140,540)</u>         |
| <b>Net position, end of year</b>       | <u>352,681</u>           | <u>337,265</u>           |

As reported in the statement of activities, the cost of governmental activities was \$ 7,710,889. These activities were primarily funded by the School's state aid and governments that subsidized certain programs with grants.

### **Fund Financial Statements**

Governmental Funds - The School's instruction and support services activities are reported in the General Fund, Title I - School Improvement Grant Fund and the nonmajor special revenue funds. The governmental funds are reported on a modified accrual basis. Only those assets that are "measurable" and "currently available" are reported. Liabilities are recognized when incurred.

### **Capital Assets**

At June 30, 2015, the School had capital assets of \$ 519,630, net of accumulated depreciation, invested in computer equipment and furniture and equipment. A detailed schedule is on page 17 in the notes to the basic financial statements.

### **Budgetary Highlights**

Although total enrollment was lower than budget by 35 students, a higher per pupil funding rate drove total state source revenues higher than the budgeted amount. The School received over \$ 2.7 million in Federal and state grants, including \$ 1.2 million from the Title 1 - School Improvement Grant to pay for qualifying reimbursable expenses, however, revenues from Federal sources were still unfavorable to the budget by \$ 156,000.

### **Economic Factors and Next Year's Budget**

In June of 2015, Indianapolis reduced the School Improvement grant for all charter schools. The School is on track to receive IDEA Part B, Safe Haven, Perkins, Title I, Title II, and the Indiana DOE Graduation Qualifying Examination Remediation grants in the upcoming fiscal year, as well as the 21st Century grant.

### **Requests for Information**

If you have any questions about this report or need additional information, please write Hillary Daigle, Vice President of Finance, Charter Schools USA, 800 Corporate Drive, Fort Lauderdale, Florida 33334.

# BASIC FINANCIAL STATEMENTS

**Thomas Carr Howe Community High School**  
**Statement of Net Position**  
**June 30, 2015**

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|   | <b>Governmental<br/>Activities</b> |
|---|------------------------------------|
| <b>Current Assets:</b>  |                                    |
| Cash  | \$ 398,001                         |
| Other receivables   | 21,903                             |
| Due from other governments                                    | 462,158                            |
| Prepaid expenditures  | 1,706                              |
| Deposits  | 43,644                             |
|   | <hr/>                              |
| Total current assets  | 927,412                            |
| <b>Noncurrent Assets:</b>                                     |                                    |
| Capital assets (depreciable), net of accumulated depreciation | 519,630                            |
|   | <hr/>                              |
| Total assets  | 1,447,042                          |
|   | <hr/>                              |
| <b>Deferred Outflows of Resources:</b>                        |                                    |
| Deferred outflows related to pensions                         | 120,910                            |
|   | <hr/>                              |
| <b>Current Liabilities:</b>                                   |                                    |
| Accounts payable and accrued liabilities                      | 506,876                            |
| Salaries and wages payable                                    | 224,424                            |
| Unearned revenue  | 16,944                             |
| Due to other schools  | 178,437                            |
| Due to Agency Fund  | 731                                |
| Compensated absences  | 22,930                             |
|   | <hr/>                              |
| Total current liabilities                                     | 950,342                            |
|   | <hr/>                              |
| <b>Noncurrent Liabilities:</b>                                |                                    |
| Net pension liability   | 180,339                            |
| Compensated absences  | 7,643                              |
|   | <hr/>                              |
| Total noncurrent liabilities                                  | 187,982                            |
|   | <hr/>                              |
| Total liabilities   | 1,138,324                          |
|   | <hr/>                              |
| <b>Deferred Inflows of Resources:</b>                         |                                    |
| Deferred inflows related to pensions                          | 76,947                             |
|   | <hr/>                              |
| <b>Net Position:</b>  |                                    |
| Net investment in capital assets                              | 519,630                            |
| Unrestricted (deficit)  | (166,949)                          |
|   | <hr/>                              |
| Total net position  | \$ 352,681                         |
|   | <hr/> <hr/>                        |

The accompanying notes to basic financial statements are an integral part of these statements.

Thomas Carr Howe Community High School  
Statement of Activities  
For the Year Ended June 30, 2015

|   | Program Revenues    |                      |                                    |                                  | Governmental                                     |
|---|---------------------|----------------------|------------------------------------|----------------------------------|--|
|   | Expenses            | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Net (Expense) Revenue and Change in Net Position |
| <b>Functions/Programs:</b>                            |                     |                      |                                    |                                  |  |
| Costs of school operations                            | \$ 7,452,520        | \$ 62,924            | \$ 2,576,575                       | \$ -                             | \$ (4,813,021)                                   |
| Food services   | <u>258,369</u>      | <u>4,202</u>         | <u>216,029</u>                     | <u>-</u>                         | <u>(38,138)</u>                                  |
| Total governmental activities                         | <u>\$ 7,710,889</u> | <u>\$ 67,126</u>     | <u>\$ 2,792,604</u>                | <u>\$ -</u>                      | <u>(4,851,159)</u>                               |
| General purpose revenues:                             |                     |                      |                                    |                                  |  |
| State aid unrestricted                                |                     |                      |                                    |                                  | 4,791,458  |
| Miscellaneous income                                  |                     |                      |                                    |                                  | <u>75,117</u>                                    |
| Total general purpose revenue                         |                     |                      |                                    |                                  | <u>4,866,575</u>                                 |
| Change in net position                                |                     |                      |                                    |                                  | 15,416   |
| Net position, beginning of year, as restated (Note 9) |                     |                      |                                    |                                  | <u>337,265</u>                                   |
| Net position, end of year                             |                     |                      |                                    |                                  | <u>\$ 352,681</u>                                |

The accompanying notes to basic financial statements are an integral part of these statements.

**Thomas Carr Howe Community High School  
Balance Sheet - Governmental Funds  
June 30, 2015**

|   | <u>General<br/>Fund</u> | <u>Title I -<br/>School<br/>Improvement<br/>Grant</u> | <u>Total<br/>Nonmajor<br/>Funds</u> | <u>Total</u>        |
|---|-------------------------|---|-------------------------------------|---------------------|
| <b>Assets:</b>  |                         |   |                                     |                     |
| Cash  | \$ 398,001              | \$ -  | \$ -                                | \$ 398,001          |
| Other receivables   | 21,903                  | -   | -                                   | 21,903              |
| Due from other governments  | 209,832                 | 133,147   | 119,179                             | 462,158             |
| Due from other funds  | 252,326                 | -   | -                                   | 252,326             |
| Prepaid expenditures  | 1,706                   | -   | -                                   | 1,706               |
| Deposits  | 43,644                  | -   | -                                   | 43,644              |
|   | <u>927,412</u>          | <u>133,147</u>  | <u>119,179</u>                      | <u>1,179,738</u>    |
| Total Assets  | \$ <u>927,412</u>       | \$ <u>133,147</u>                                     | \$ <u>119,179</u>                   | \$ <u>1,179,738</u> |
| <b>Liabilities:</b>   |                         |   |                                     |                     |
| Accounts payable and accrued liabilities  | \$ 506,876              | \$ -  | \$ -                                | \$ 506,876          |
| Salaries and wages payable  | 224,424                 | -   | -                                   | 224,424             |
| Due to other funds  | -                       | 133,147   | 119,179                             | 252,326             |
| Due to other schools  | 178,437                 | -   | -                                   | 178,437             |
| Due to Agency Fund  | 731                     | -   | -                                   | 731                 |
| Unearned revenue  | 16,944                  | -   | -                                   | 16,944              |
|   | <u>927,412</u>          | <u>133,147</u>  | <u>119,179</u>                      | <u>1,179,738</u>    |
| Total liabilities   | 927,412                 | 133,147   | 119,179                             | 1,179,738           |
| <b>Fund Balances</b>  |                         |   |                                     |                     |
|   | <u>-</u>                | <u>-</u>  | <u>-</u>                            | <u>-</u>            |
| Total   | \$ <u>927,412</u>       | \$ <u>133,147</u>                                     | \$ <u>119,179</u>                   | \$ <u>1,179,738</u> |
| <b>Reconciliation of the Balance Sheet of<br/>Governmental Funds to the Statement of<br/>Net Position</b>   |                         |   |                                     |                     |
| <b>Total governmental fund balance</b>  |                         |   |                                     | \$ -                |
| <b>Capital assets used in governmental activities are not<br/>financial resources and are not reported in the funds:</b>  |                         |   |                                     |                     |
| Capital assets cost   |                         |   |                                     | 1,222,848           |
| Accumulated depreciation  |                         |   |                                     | (703,218)           |
| <b>Long-term assets are not available to pay for current period<br/>expenditures and, therefore, are not recorded in the funds:</b>   |                         |   |                                     |                     |
| Deferred outflows related to pensions   |                         |   |                                     | 120,910             |
| <b>Liabilities not payable with current available resources<br/>are not reported as fund liabilities in the governmental<br/>fund statements. All liabilities, both current and long-term<br/>are reported in the government-wide statements:</b> |                         |   |                                     |                     |
| Net pension liability   |                         |   |                                     | (180,339)           |
| Deferred inflows related to pensions  |                         |   |                                     | (76,947)            |
| Compensated absences  |                         |   |                                     | (30,573)            |
|   |                         |   |                                     | <u>(287,859)</u>    |
| <b>Net position of governmental activities</b>  |                         |   |                                     | \$ <u>352,681</u>   |

The accompanying notes to basic financial statements are an integral part of these statements.

**Thomas Carr Howe Community High School  
Statement of Revenues, Expenditures and  
Change in Fund Balances - Governmental Funds  
For the Year Ended June 30, 2015**

|   | <u>General<br/>Fund</u> | <u>Title I -<br/>School<br/>Improvement<br/>Grant</u> | <u>Total<br/>Nonmajor<br/>Funds</u> | <u>Total</u>     |
|---|-------------------------|---|-------------------------------------|------------------|
| <b>Revenues:</b>  |                         |   |                                     |                  |
| State aid   | \$ 4,838,932            | \$ -  | \$ 424,720                          | \$ 5,263,652     |
| Federal sources   | -                       | 1,249,732   | 1,070,678                           | 2,320,410        |
| Private sources   | 67,126                  | -   | -                                   | 67,126           |
| Other income  | 75,117                  | -   | -                                   | 75,117           |
|   | <u>4,981,175</u>        | <u>1,249,732</u>                                      | <u>1,495,398</u>                    | <u>7,726,305</u> |
| <b>Expenditures:</b>  |                         |   |                                     |                  |
| Costs of school operations  | 4,562,825               | 1,249,732   | 1,279,369                           | 7,091,926        |
| Food services   | 42,340                  | -   | 216,029                             | 258,369          |
| Capital outlay  | 376,010                 | -   | -                                   | 376,010          |
|   | <u>4,981,175</u>        | <u>1,249,732</u>                                      | <u>1,495,398</u>                    | <u>7,726,305</u> |
| <b>Net Change in Fund Balances</b>  | -                       | -   | -                                   | -                |
| <b>Fund Balances - beginning of year</b>  | <u>-</u>                | <u>-</u>  | <u>-</u>                            | <u>-</u>         |
| <b>Fund Balances - end of year</b>  | <u>\$ -</u>             | <u>\$ -</u>   | <u>\$ -</u>                         | <u>\$ -</u>      |
| <b>Reconciliation of the Statement of Revenues,<br/>Expenditures and Changes in Fund Balance of<br/>Governmental Funds to the Statement of Activities</b>   |                         |   |                                     |                  |
| <b>Net change in fund balance - total governmental funds</b>  |                         |   |                                     | \$ -             |
| <b>Governmental funds report capital outlays as<br/>expenditures, in the statement of activities these costs<br/>are allocated over their useful lives as depreciation:</b>                               |                         |   |                                     |                  |
| Cost of capital assets  |                         |   |                                     | 376,010          |
| Provision for depreciation  |                         |   |                                     | (361,645)        |
| <b>Certain items reported in the statement of activities<br/>do not require the use of current financial resources<br/>and, therefore, are not reported as expenditures in<br/>in governmental funds:</b> |                         |   |                                     |                  |
| Change in net pension liability   |                         |   |                                     | 69,515           |
| Changes in deferred outflows related to pensions  |                         |   |                                     | 11,597           |
| Change in deferred inflows related to pensions  |                         |   |                                     | (76,948)         |
| Change in compensated absences  |                         |   |                                     | <u>(3,113)</u>   |
| <b>Change in net position of governmental activities</b>  |                         |   |                                     | <u>\$ 15,416</u> |

The accompanying notes to basic financial statements are an integral part of these statements.

**Thomas Carr Howe Community High School  
Statement of Assets and Liabilities - Agency Fund  
June 30, 2015**

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|                           | <u>Student<br/>Activities</u> |
|---------------------------|-------------------------------|
| <b>Assets:</b>            |                               |
| Cash and cash equivalents | \$ 29,141                     |
| Due from School           | 731                           |
|                           | <hr/>                         |
| Total current assets      | \$ <u>29,872</u>              |
| <br><b>Liabilities:</b>   |                               |
| Due to students           | \$ <u>29,872</u>              |
| Total liabilities         | \$ <u><u>29,872</u></u>       |

The accompanying notes to basic financial statements are an integral part of these statements.

### Note 1 - Organization and Operations

In 2011, the State Board of Education (“SBOE”) exercised its statutory authority to intervene in the management of certain schools that had been deemed failing for six years under Public Law 221 and the state’s school accountability system. As a result, the SBOE assigned the Indiana Department of Education (“IDOE”) to contract with third party “turnaround school operators” to manage the schools during the turnaround process. The schools were part of the Indianapolis Public Schools District. In 2013, the mayor of the City of Indianapolis successfully petitioned the SBOE for oversight of the turnaround school operators that manage these schools from the IDOE to Office of Education Innovation (“OEI”). In June 2015, Indianapolis turnaround schools transitioned to joint oversight by the SBOE and IDOE. Thomas Carr Howe Community High School (the “School”) is one of the turnaround schools.

### Note 2 - Summary of Significant Accounting Policies

**Basis of presentation:** The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School’s accounting policies are described below:

**Government-wide basic financial statements:** The School's basic financial statements include both government-wide (reporting the School as a whole) and fund financial statements (reporting the School's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the School's activities are classified as governmental activities.

In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis, if applicable, and is reported on a full accrual, economic resource basis, which recognizes all noncurrent assets and receivables as well as all noncurrent debt and obligations.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The net costs, by function, are also supported by general revenues (unrestricted contributions, miscellaneous revenue, etc.). The statement of activities reduces gross expenses by related program revenues, operating and capital grants and contributions. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. For the year ended June 30, 2015 the School had program revenues of \$ 2,859,730.

This government-wide focus is more on the ability to sustain the School as an entity and the change in the School's net position resulting from the current year's activities.

**Fund financial statements:** The accounts of the School are organized on the basis of funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures.

The School reports the following major governmental funds:

**General Fund** - This fund is used to account for all operating activities of the School except for those required to be accounted for in another fund.

**Note 2 - Summary of Significant Accounting Policies (continued)**

**Title I - School Improvement Grant Fund** - This fund is used to account for all federal dollars received under this Title I program.

**Measurement focus and basis of accounting:** Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the governmental-wide statement uses the economic resources measurement focus.

Governmental activity in the government-wide basic financial statements is presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds basic financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within sixty days after year-end or soon enough thereafter to be used to pay liabilities of the current period.

**Cash and cash equivalents:** The School considers all demand accounts and money market funds which are not subjected to withdrawal restrictions to be cash and cash equivalents. The School routinely maintains cash balances at a financial institution which exceeds federally insured amounts. The School has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk associated with its cash and cash equivalents.

**Prepaid items:** Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**Due to and due from other funds:** Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

**Capital assets:** Property and equipment purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with a cost of \$ 750 and useful life of over one year. Donated property and equipment assets are valued at the estimated fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related fixed assets. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all capital assets is provided on the straight-line basis over the estimated useful lives as follows:

|                         |         |
|-------------------------|---------|
| Furniture and equipment | 5 years |
| Computer equipment      | 3 years |

**Deferred outflows/inflows of resources:** In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School has deferred outflows relating to the net pension liability that qualify for reporting in this category.

## Note 2 - Summary of Significant Accounting Policies (continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The School has deferred inflows relating to the net pension liability that qualify for reporting in this category.

**Unearned revenue:** Unearned revenue arises when the School receives resources before it has a legal claim to them.

**Compensated absences:** The School's policy permits employees to accumulate earned but unused paid time off, which is eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Payments for compensated absences are generally paid out of the General Fund.

**Net position:** Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation reduced by the outstanding balances of borrowings used for the acquisition, construction or improvement of those assets.
- Restricted - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net position that is available to fund future operations.

Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statement, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

**Fund balance:** The governmental fund financial statements present fund balances based on the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental fund financial statements:

- Nonspendable - this classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The School classifies inventories, prepaid items, long-term notes receivable and deposits as nonspendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year.

## Note 2 - Summary of Significant Accounting Policies (continued)

- Restricted - this classification includes amounts that are restricted for specific purposes by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation.
- Committed - this classification includes amounts that can be used for specific purposes voted on through formal action of the governing body. The committed amount cannot be used for any other purpose unless the governing body removes or changes the commitment through formal action.
- Assigned - this classification includes amounts that the governing body intends to use for a specific purpose but they are neither restricted nor committed. The School classifies existing fund balance to be used in the subsequent year's budget for elimination of a deficit as assigned.
- Unassigned - this classification includes amounts that have not been restricted, committed or assigned for a specific purpose within the General Fund.

The details of the fund balances are included in the Governmental Fund Balance Sheet on page 10.

Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the government fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School's policy to consider restricted fund balance to have been depleted before using any of components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Budget:** Annual budgets are adopted on a basis utilizing accounting principles generally accepted in the United States of America and consistent with state law for the general and special revenue funds. The budget document presents information by function.

**Use of estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Reclassifications:** Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**Date of management review:** Subsequent events were evaluated by management through April 14, 2016, which is the date the financial statements were available to be issued.

## Note 3 - Due From Other Governments

Due from other governments at June 30, 2015 consists of amounts due from the State of Indiana for Title I and II funding, School Improvement Grant funding, IDEA funding, 21<sup>st</sup> Century Grant funding, school safety and transportation funding.

**Thomas Carr Howe Community High School**  
**Notes to Basic Financial Statements**  
**June 30, 2015**

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**Note 4 - Capital Assets**

Capital asset balances and activity for the year ended June 30, 2015 are as follows:

|                                   | Balance at<br>July 1,<br>2014 | Additions        | Deletions   | Balance at<br>June 30,<br>2015 |
|-----------------------------------|-------------------------------|------------------|-------------|--------------------------------|
| Capital assets, depreciable:      |                               |                  |             |                                |
| Furniture and equipment           | \$ 159,167                    | \$ 44,207        | \$ -        | \$ 203,374                     |
| Computer equipment                | <u>687,671</u>                | <u>331,803</u>   | <u>-</u>    | <u>1,019,474</u>               |
| Total capital assets, depreciable | <u>846,838</u>                | <u>376,010</u>   | <u>-</u>    | <u>1,222,848</u>               |
| Accumulated depreciation:         |                               |                  |             |                                |
| Furniture and equipment           | 22,343                        | 37,822           | -           | 60,165                         |
| Computer equipment                | <u>319,230</u>                | <u>323,823</u>   | <u>-</u>    | <u>643,053</u>                 |
| Total accumulated depreciation    | <u>341,573</u>                | <u>361,645</u>   | <u>-</u>    | <u>703,218</u>                 |
| Net capital assets                | <u>\$ 505,265</u>             | <u>\$ 14,365</u> | <u>\$ -</u> | <u>\$ 519,630</u>              |

**Note 5 - Due to Other Schools**

The School, Emma Donnan Middle School and Emmerich Manual High School are related as they are all turnaround schools (Note 1) and divisions of the Indiana Department of Education. As of June 30, 2015, the financial statements include an amount due to these schools of \$ 178,437 for shared expenses.

**Note 6 - School Operation Contract**

The Indiana Department of Education entered into a contract with Charter Schools USA, Inc. ("CSUSA") as a turnaround school operator to perform all duties and obligations necessary to operate the School. The contract commenced on July 1, 2012 and shall remain in effect through June 30, 2016. The contract may be renewed for an additional four (4) years. Pursuant to the contract, CSUSA shall receive monthly payments based upon the yearly ADM counts, which occur in September and February, as provided for under Indiana Code 20-43.

The School's accounts payable balance has an amount due to CSUSA for \$ 438,533 for invoiced services.

**Note 7 - Retirement Plans**

The employees of the School have the option of participating in one of the following Plans:

401(k) Plan

During the year ended June 30, 2015, the School offered all of its full-time employees who had attained 21 years of age, a retirement plan under Internal Revenue Code Section 401(k). The employee is allowed to contribute up to a maximum of 20% of his/her annual gross compensation, subject to certain limitations. The School contributed a matching amount of \$ 3,481 for the year ended June 30, 2015.

## Note 7 - Retirement Plans (continued)

### Indiana Public Retirement System

#### **Plan Description**

The School elected to become a participating employer in the Indiana Public Retirement System (INPRS), a cost-sharing multiple employer retirement system that acts as a common investment and administrative agent for units of state and local government in Indiana. INPRS is governed by state statutes I.C.S. 5-10.2 and 5-10.3. As such, it is INPRS's responsibility to administer the law in accordance with the expressed intent of the Indiana General Assembly. The School contributes to two plans under INPRS; the Public Employees' Retirement Fund (PERF) and the State Teachers' Retirement Fund 1996 Account (TRF 1996). Both are qualified plans under Internal Revenue Code Section 401(a) and are tax exempt.

#### **Benefits**

PERF and TRF 1996 are contributory defined benefit plans that cover substantially all School employees. Retirement benefits vest after 10 years of service. Participants are eligible for early retirement with 100% of the defined benefit plan if certain conditions are met. A participant may retire with full benefits at age 60 with 15 or more years of service or at age 55 if the participant's age plus years of service equals 85 or more (Rule of 85). If neither of the above conditions are met, a participant may retire with 100% of the pension benefit at age 65 with 10 or more years of service. This annual pension is equal to 1.1% times the average annual salary times the number of years and months of INPRS-covered employment. The average annual salary used for calculating the pension benefit is an average of the participant's highest five years of employment earning within the 10 years preceding retirement. Participants who retire between the ages of 50 and 59 with 15 or more years of service receive a pension benefit that is reduced by various percentages according to the participant's age.

Participants have two choices regarding their annuity savings account which holds their required contributions. They may elect to receive the contributions and accumulated earnings in a lump sum at retirement, or, they may choose to receive the annuity amount as a monthly supplement to their employer-provided pension described in the paragraph above.

#### **Contributions**

The participants are required to make a contribution of 3% of their annual salary to an annuity savings account that may be withdrawn at any time with interest should a participant terminate employment. The School is required by State statute to contribute at an actuarially determined rate. The rate for PERF was 11.2% of annual covered payroll. The rate for TRF 1996 was 7.5% of annual covered payroll. The contribution requirements of participants are determined by State statute. The School's contributions, including employee contributions, to the plan totaled \$ 85,399 for the year ended June 30, 2015.

**Note 7 - Retirement Plans (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2015, the School reported a liability of \$ 180,399 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on a projection of the School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the School's proportion was .0000648 percent, which was an increase of .0000093 percentage points from its proportion measured as of June 30, 2013 for PERF and the School's proportion was .0002107 percent, which was an increase of .0000212 percentage points from its proportion measured as of June 30, 2013 for TRF 1996.

For the year ended June 30, 2015, the School recognized pension expense of \$ 59,140. At June 30, 2015, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | PERF                           |                               | TRF 1996                       |                               |
|---|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
|   | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience  | \$ -                           | \$ (764)                      | \$ 98                          | \$ -                          |
| Net difference between projected and actual earnings on pension plan investments                            | -                              | (33,100)                      | -                              | (43,083)                      |
| Changes in proportion and differences between School contributions and proportionate share of contributions | 41,102                         | -                             | 18,692                         | -                             |
| School contributions subsequent to the measurement date   | 31,404                         | -                             | 29,614                         | -                             |
| <b>Total</b>  | <b>\$ 72,506</b>               | <b>\$ (33,864)</b>            | <b>\$ 48,404</b>               | <b>\$ (43,083)</b>            |

\$ 61,018 reported as deferred outflows of resources related to pensions resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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: | PERF       | TRF 1996   |
|---------------------|------------|------------|
| 2016                | \$ 3,250   | \$ (9,205) |
| 2017                | \$ 3,250   | \$ (9,205) |
| 2018                | \$ 3,250   | \$ (9,205) |
| 2019                | \$ (2,512) | \$ (9,205) |
| 2020                | \$ -       | \$ 1,566   |
| Thereafter          | \$ -       | \$ 10,961  |

**Note 7 - Retirement Plans (continued)**

**Actuarial assumptions:** The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all pensions included in the measurement:

|                          | <u>PERF</u> | <u>TRF 1996</u> |
|--------------------------|-------------|-----------------|
| Future salary increases  | 3.25%-4.5%  | 3.0% - 12.5%    |
| Inflation                | 3.00%       | 3.00%           |
| Cost of living increases | 1.00%       | 1.00%           |

Mortality rates were based on the mortality table from the 2013 IRS Static Mortality projected five years with Scale AA.

For the PERF, the most recent comprehensive experience study was completed in 2011 and was based on member experience between June 30, 2005 and June 30, 2010. The demographic assumptions were updated as needed for the June 30, 2011 actuarial valuation based on the results of the study. The interest rate and mortality assumptions were further updated for the June 30, 2012 valuation. Minor assumptions were updated for the June 30, 2013 valuation including the interest rate on member account balances. There were no updates to the actuarial assumptions for the June 30, 2014 valuation. However, the June 30, 2014 valuations are the first valuations that incorporate member census data as of a date one year prior to the valuation date. Standard actuarial techniques were used to roll forward valuation results from June 30, 2013 to June 30, 2014.

For the TRF 1996, the most recent comprehensive experience study was completed in 2012 and was based on member experience between June 30, 2007 and June 30, 2011. The demographic assumptions were updated for the June 30, 2012 actuarial valuation based on the results of the study. There were no updates to the actuarial assumptions for the June 30, 2014 valuation. However, the June 30, 2014 valuations are the first valuations that incorporate member census data as of a date one year prior to the valuation date. Standard actuarial techniques were used to roll forward valuation results from June 30, 2013 to June 30, 2014.

The long-term return expectation for the defined benefit retirement plans was determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| <u>Asset Class</u>                   | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|--------------------------------------|--------------------------|---|
| Fixed income - ex inflation - linked | 22.0%                    | 2.1%  |
| Fixed income - inflation - linked    | 10.0%                    | 0.7%  |
| Public equity                        | 22.5%                    | 5.3%  |
| Real estate                          | 7.5%                     | 3.0%  |
| Private equity                       | 10.0%                    | 5.6%  |
| Commodities                          | 8.0%                     | 2.0%  |
| Absolute return                      | 10.0%                    | 3.9%  |
| Risk parity                          | 10.0%                    | 5.0%  |
| Total                                | <u>100.0%</u>            |   |

**Note 7 - Retirement Plans (continued)**

**Discount rate:** The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State of Indiana would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on these assumptions, the defined benefit pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the School's proportion share of the net pension liability to changes in the discount rate:** The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 6.75 percent, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

|  | 1%<br>Decrease<br>(5.75%) | Current<br>Discount<br>Rate<br>(6.75%) | 1%<br>Increase<br>(7.75%) |
|--|---------------------------|--|---------------------------|
| School's proportionate share of the net pension liability for PERF             | \$ 273,420                | \$ 170,319                             | \$ 82,965                 |
| School's proportionate share of the net pension liability (asset) for TRF 1996 | \$ 164,793                | \$ 10,020                              | \$ (118,221)              |

**Pension plan fiduciary net position:** Detailed information about the pension plan's fiduciary net position is available in the separately issued stand-alone financial report of the Indiana Public Retirement System. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (888) 526-1687, by emailing [questions@inprs.in.gov](mailto:questions@inprs.in.gov), or by visiting [www.in.gov/inprs](http://www.in.gov/inprs).

**Note 8 - Risk Financing**

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The School has obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during the past two years.

**Note 9 - Change in Accounting Principle**

During the year ended June 30, 2015, the School adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This pronouncement requires the restatement of the June 30, 2014, net position of the governmental activities as shown below:

|  | <b>Governmental<br/>Activities</b> |
|--|------------------------------------|
| Net Position, June 30, 2014,<br>as previously reported                   | \$ 477,805                         |
| Cumulative Affect of Application<br>of GASB 68, Net Pension<br>Liability | <u>(140,540)</u>                   |
| Net Position, June 30, 2014,<br>as restated                              | <u><u>\$ 337,265</u></u>           |

# REQUIRED SUPPLEMENTARY INFORMATION

**Thomas Carr Howe Community High School  
 Budgetary Comparison Schedule  
 For the Year Ended June 30, 2015**

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|  | <u>Original<br/>and Final<br/>Budget</u> | <u>Actual</u>    | <u>Variance</u>  |
|--|--|------------------|------------------|
| <b>Revenues:</b>                       |  |                  |                  |
| State aid                              | \$ 5,107,955                             | \$ 5,263,652     | \$ 155,697       |
| Federal sources                        | 2,476,058                                | 2,320,410        | (155,648)        |
| Private sources                        | 66,827                                   | 67,126           | 299              |
| Other income                           | <u>39,550</u>                            | <u>75,117</u>    | <u>35,567</u>    |
| Total revenues                         | <u>7,690,390</u>                         | <u>7,726,305</u> | <u>35,915</u>    |
| <b>Expenditures:</b>                   |  |                  |                  |
| Costs of school operations             | 7,308,236                                | 7,091,926        | 216,310          |
| Food services                          | 193,521                                  | 258,369          | (64,848)         |
| Capital outlay                         | <u>188,633</u>                           | <u>376,010</u>   | <u>(187,377)</u> |
| Total expenditures                     | <u>7,690,390</u>                         | <u>7,726,305</u> | <u>(35,915)</u>  |
| <b>Net Change in Fund Balance</b>      | -  | -                | -                |
| <b>Fund Balance, beginning of year</b> | <u>-</u>                                 | <u>-</u>         | <u>-</u>         |
| <b>Fund Balance, end of year</b>       | <u>\$ -</u>                              | <u>\$ -</u>      | <u>\$ -</u>      |

**Thomas Carr Howe Community High School  
Schedule of Proportionate Share of Net Pension Liability  
Public Employees' Retirement Fund  
Last 10 Fiscal Years \*  
(Unaudited)**

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|   | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|
| Thomas Carr Howe Community High School's proportion of the net pension liability  | 0.0000538%  | 0.0000648%  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability   | \$ 219,089  | \$ 170,319  |
| Thomas Carr Howe Community High School's covered-employee payroll   | \$ 257,685  | \$ 316,375  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 85.02%      | 53.83%      |
| Plan fiduciary net position as a percentage of total pension liability  | 77.3%       | 84.3%       |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School  
Schedule of Proportionate Share of Net Pension Liability  
Teachers' Retirement Fund 1996 Account  
Last 10 Fiscal Years \*  
(Unaudited)**

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|   | <u>2015</u> | <u>2014</u> |
|---|-------------|-------------|
| Thomas Carr Howe Community High School's proportion of the net pension liability  | 0.0001313%  | 0.0002107%  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability   | \$ 69,114   | \$ 10,020   |
| Thomas Carr Howe Community High School's covered-employee payroll   | \$ 359,712  | \$ 545,325  |
| Thomas Carr Howe Community High School's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 19.21%      | 1.84%       |
| Plan fiduciary net position as a percentage of total pension liability  | 91.1%       | 99.1%       |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School**  
**Schedule of Thomas Carr Howe Community High School's Contributions**  
**Public Employees' Retirement Fund**  
**Last 10 Fiscal Years \***  
**(Unaudited)**

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|  | <u>2015</u>        | <u>2014</u>        |
|--|--------------------|--------------------|
| Contractually required contribution                                  | \$ 31,404          | \$ 54,715          |
| Contributions in relation to the contractually required contribution | <u>31,404</u>      | <u>54,715</u>      |
| Contribution deficiency (excess)                                     | \$ <u><u>-</u></u> | \$ <u><u>-</u></u> |
| Thomas Carr Howe Community High School's covered employee payroll    | \$ 257,685         | \$ 316,375         |
| Contributions as a percentage of covered payroll                     | 12.19%             | 17.29%             |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School  
Schedule of Thomas Carr Howe Community High School's Contributions  
Teachers' Retirement Fund 1996 Account  
Last 10 Fiscal Years \*  
(Unaudited)**

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|  | <u>2015</u>        | <u>2014</u>        |
|--|--------------------|--------------------|
| Contractually required contribution                                  | \$ 29,614          | \$ 54,599          |
| Contributions in relation to the contractually required contribution | <u>29,614</u>      | <u>54,599</u>      |
| Contribution deficiency (excess)                                     | \$ <u><u>-</u></u> | \$ <u><u>-</u></u> |
| Thomas Carr Howe Community High School's covered employee payroll    | \$ 359,712         | \$ 545,325         |
| Contributions as a percentage of covered payroll                     | 8.23%              | 10.01%             |

\* This schedule is intended to present information for ten years. However, until a full ten-year trend is compiled, the pension plan will present information for those years for which the information is available.

**Thomas Carr Howe Community High School  
Schedule of Investment Returns  
Public Employees' Retirement Fund  
Last 10 Fiscal Years \*  
(Unaudited)**

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|  | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------|
| Annual money-weighted annual rate of return,<br>net of investment expenses | 0.32%       | 12.33%      |

\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

**Thomas Carr Howe Community High School  
Schedule of Investment Returns  
Teachers' Retirement Fund 1996 Account  
Last 10 Fiscal Years \*  
(Unaudited)**

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|  | <u>2015</u> | <u>2014</u> |
|--|-------------|-------------|
| Annual money-weighted annual rate of return,<br>net of investment expenses | 0.57%       | 12.71%      |

\* Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

## ADDITIONAL INFORMATION

**Thomas Carr Howe Community High School  
Combining Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Nonmajor Governmental Funds  
For the Year Ended June 30, 2015**

|                                    | School Lunch | Title I | Title II | IDEA       | 21st Century Community Learning Centers | Total Nonmajor Governmental Funds |
|------------------------------------|--------------|---------|----------|------------|---|-----------------------------------|
| <b>Revenues:</b>                   |              |         |          |            |   |                                   |
| State sources                      | \$ 750       | \$ -    | \$ -     | \$ 423,970 | \$ -                                    | \$ 424,720                        |
| Federal sources                    | 215,279      | 589,974 | 63,282   | 103,355    | 98,788                                  | 1,070,678                         |
| Total revenue                      | 216,029      | 589,974 | 63,282   | 527,325    | 98,788                                  | 1,495,398                         |
| <b>Expenditures:</b>               |              |         |          |            |   |                                   |
| Current:                           |              |         |          |            |   |                                   |
| Costs of school operations         | -            | 589,974 | 63,282   | 527,325    | 98,788                                  | 1,279,369                         |
| Food services                      | 216,029      | -       | -        | -          | -                                       | 216,029                           |
| Total expenditures                 | 216,029      | 589,974 | 63,282   | 527,325    | 98,788                                  | 1,495,398                         |
| <b>Net Change in Fund Balances</b> | -            | -       | -        | -          | -                                       | -                                 |
| <b>Fund Balances, beginning</b>    | -            | -       | -        | -          | -                                       | -                                 |
| <b>Fund Balances, ending</b>       | \$ -         | \$ -    | \$ -     | \$ -       | \$ -                                    | \$ -                              |

# SUPPLEMENTAL SCHEDULES

**Thomas Carr Howe Community High School  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2015**

| <u>Federal Grantor/Pass-Through Grantor/<br/>Program Title</u>  | <u>CFDA<br/>Number</u> | <u>Contract/Grant Number</u> | <u>Expenditures</u>  | <u>Transfers to<br/>Subrecipients</u> |
|---|------------------------|------------------------------|----------------------|---------------------------------------|
| <b>Federal Agency Name:</b><br>U.S. Department of Agriculture -<br>Passed through the Indiana Department of Agriculture -<br>Child Nutrition Cluster -<br>Cash Assistance -<br>National School Breakfast Program<br>National School Lunch Program | 10.553<br>10.555       | -<br>-                       | \$ 28,766<br>186,513 | \$ -<br>-                             |
| Total U.S. Department<br>of Agriculture   |                        |                              | <u>215,279</u>       | <u>-</u>                              |
| U.S. Department of Education -<br>Passed through the Indiana Department of Education -<br>Title I Grants to Local Educational Agencies  | 84.010                 | -                            | 589,974              | -                                     |
| Title I Grants to Local Educational<br>Agencies - School Improvement Grant  | 84.010A                | -                            | 1,249,732            | -                                     |
| Title II Improving Teacher Quality  | 84.367                 | -                            | 63,282               | -                                     |
| Special Education Grants to States -<br>IDEA, Part B  | 84.027                 | -                            | 103,355              | -                                     |
| 21st Century Community Learning Centers Grant   | 84.287                 | -                            | 98,788               | -                                     |
| Total U.S. Department of Education  |                        |                              | <u>2,105,131</u>     | <u>-</u>                              |
| Total expenditures of federal awards  |                        |                              | \$ <u>2,320,410</u>  | \$ <u>-</u>                           |

**Thomas Carr Howe Community High School  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2015**

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**Note 1 - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the grant activity of Thomas Carr Howe Community High School and is presented in accordance with the requirements of the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in these schedules may differ from amounts presented in or used in the preparation of the financial statements.

**Note 2 - Contingency**

The grants and contracts revenue received are subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the Organization. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable Federal, state and local laws and regulations.

# INTERNAL CONTROLS AND COMPLIANCE

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Office of Education Innovation  
Thomas Carr Howe Community High School  
A Division of the Indiana Department of Education  
Indianapolis, Indiana

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 Thomas Carr Howe Community High School (the "School"), a Division of the Indiana Department of Education, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated April 14, 2016.

#### **Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the School'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 the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
April 14, 2016

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Office of Education Innovation  
Thomas Carr Howe Community High School  
A Division of the Indiana Department of Education  
Indianapolis, Indiana

**Report on Compliance for Each Major Federal Program**

We have audited Thomas Carr Howe Community High School's (the "School"), a Division of the Indiana Department of Education, compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2015. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

## Report on Internal Control Over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



KEEFE McCULLOUGH

Fort Lauderdale, Florida  
April 14, 2016

**Thomas Carr Howe Community High School  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2015**

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**A. SUMMARY OF AUDITOR’S RESULTS**

1. The auditor’s report expresses an unmodified opinion on the financial statements of Thomas Carr Howe Community High School.
2. No material weaknesses relating to the audit of the financial statements are reported in the Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Thomas Carr Howe Community High School were disclosed during the audit.
4. No material weaknesses relating to the audit of the major Federal program is reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133.
5. The auditor’s report on compliance for the major Federal program for Thomas Carr Howe Community High School expresses an unmodified opinion.
6. There are no audit findings relative to the major Federal program for Thomas Carr Howe Community High School reported in Part C of this schedule.
7. The program tested as a major program is as follows:

| <u>Federal Program</u>   | <u>CFDA No.</u> |
|--|-----------------|
| U.S. Department of Education –<br>Title I Grants to Local Educational Agencies | 84.010          |
| Title I Grants to Local Educational Agencies -<br>School Improvement Grant     | 84.010A         |

8. The threshold for distinguishing Types A and B programs was \$ 300,000.
9. Thomas Carr Howe Community High School was determined to be a low-risk auditee.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

No matters were reported.

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARDS PROGRAM**

No matters were reported.

**D. OTHER ISSUES**

1. No management letter is required because there were no findings required to be reported in a separate management letter.
2. No schedule of prior audit findings is required because there were no prior audit findings related to Federal programs.
3. No corrective action plan is required because there were no findings reported under OMB Circular A-133 Act.

Attachment 10  
Budget Narrative

### Revenue Assumptions

- Pupil Revenue funding is assumed at \$7,013 per student in Year 1. This is based on the latest funding amounts published by the Indiana Department of Education.
- HOWE anticipates receiving funding for the Charter and Innovation Network School Grant Program, for which \$380,000 has been projected in Year 1 and \$460,000 in Year 2. In addition, IDEA funding is included at \$141,500 in all years; Title I funding is included at \$426,673 in all years; and Title II funding is included at \$116,320 in all years.
- Food service revenue consists of a combination of full-paid lunches and reimbursement from the National School Lunch Program (Table 10.1).

Table 10.1

| Year 1    | Year 2    | Year 3    | Year 4    | Year 5    |
|-----------|-----------|-----------|-----------|-----------|
| \$401,111 | \$495,266 | \$593,028 | \$694,501 | \$746,096 |

- Other revenue, which includes a 2% assumed increase to per-pupil funding each year as well federal e-rate funding, is shown in Table 10.2 below.

Table 10.2

| Year 1   | Year 2    | Year 3    | Year 4    | Year 5    |
|----------|-----------|-----------|-----------|-----------|
| \$25,500 | \$155,046 | \$332,515 | \$559,322 | \$782,580 |

### Expense Assumptions

- Average teacher wage is assumed at \$36,819.
- Performance-based bonus is included in the budget at \$8,000 each year. However, ReThink may use HOWE's remaining fund balance each year to increase bonus compensation at their discretion.

Table 10.3

| Year 1  | Year 2  | Year 3  | Year 4  | Year 5  |
|---------|---------|---------|---------|---------|
| \$8,000 | \$8,000 | \$8,000 | \$8,000 | \$8,000 |

- NEI management fees are calculated as a percentage of revenue at 5% in Year 1 and 10% in all subsequent years (Table 10.4).

Table 10.4

|                             | Year 1    | Year 2    | Year 3    | Year 4      | Year 5      |
|-----------------------------|-----------|-----------|-----------|-------------|-------------|
| <b>Final Management Fee</b> | \$341,044 | \$824,663 | \$918,391 | \$1,063,425 | \$1,137,195 |

- In accordance with IC 20-26-7-1, rent is calculated at 0% of revenue in all years (Table 10.5).

Table 10.5

| Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--------|--------|--------|--------|--------|
| \$0    | \$0    | \$0    | \$0    | \$0    |

- Transportation is assumed at 3% participation: Daily transportation cost assumed at \$1,813 with 2% inflation for Year 2 and beyond (Table 10.6).

Table 10.6

|   | Year 1    | Year 2    | Year 3    | Year 4    | Year 5    |
|---|-----------|-----------|-----------|-----------|-----------|
| <b>Projected Transportation Expense</b> | \$326,400 | \$332,928 | \$339,587 | \$346,378 | \$353,306 |

- Cumulative fund balance of at least 3% of total revenue is achieved by Year 1 and a balance of \$6,883,520 is reached by the end of Year 5 (Table 10.7). These funds will be maintained for HOWE and used at ReThink’s discretion.

Table 10.7

|                                | Year 1      | Year 2      | Year 3      | Year 4      | Year 5      |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Cumulative Fund Balance</b> | \$1,100,719 | \$1,787,960 | \$2,673,911 | \$4,542,540 | \$6,883,520 |
| <b>% to Revenue</b>            | 16.1%       | 21.7%       | 29.1%       | 42.7%       | 60.5%       |

- a. **The degree to which the school (and network) budget relies on variable income (e.g., grants, donations, fundraising).**

Grant funding for the Charter and Innovation Network School Grant Program is anticipated at \$500 per student in Years 1 and 2 (currently projected at \$380,000 in Year 1 and 460,000 in Year 2). This assumption is based on the language and criteria outlined in IC 20-24-13-4, which states that “The state board shall, without an application being made, make an annual grant to a school if the school is one (1) of the following: (1) A charter school in its first or second year of operation.”

In addition, IDEA funding is included at \$141,500 in all years; Title I funding is included at \$426,673 in all years; and Title II funding is included at \$116,320 in all years.

- b. **The school’s contingency plans to meet financial needs if anticipated revenues are not received or are lower than the estimated budget.**

Conservative assumptions have been made on the financial budget, especially during the first year, to ensure the financial health of operations. As part of the mitigation process, ReThink and NEI will closely monitor enrollment during the first year to spend appropriately on enrollment-based expenses, particularly compensation, which is the biggest expense in the budget. Alternative outcomes will be contemplated before assuming responsibility of school operations to safeguard against potential shortfalls. If expectations are not met, HOWE will engage in a mitigation process entailing reduction of controllable expenses while maintaining the necessities for the education of the students.

If revenue shortfalls occur due to lower than expected enrollment, a revised budget will be created and submitted to the authorizer. Variable expenses will be adjusted to compensate for the revenue shortfall. For example, staff and associated expenses will be reduced as required comparable to the reduced enrollment. Budgets are revised as necessary to achieve balance and align costs with revenue in a manner that is least disruptive to the learning environment.

- c. **How the school will ensure it has sufficient funds to cover all anticipated expenses, including but not limited to: (a) special education costs, (b) transportation costs necessary to ensure the school will be accessible for all enrolled students, and (c) required retirement plan contributions.**

ReThink will approve HOWE's budget on an annual basis and conduct budget management throughout the year using a 3-part process: (1) review and approval of financial statements, (2) review of budget vs. actual variances, and (3) forecasting of future results. The first part of the process is the preparation of HOWE's monthly financial statements. These financial statements are prepared by NEI and are distributed electronically to both school leadership and ReThink. Monthly financial statements are prepared using Generally Accepted Accounting Principles specific to governmental entities. Monthly financial statements include a comparison of actual results to the approved budget to facilitate the second part of the process. Through forecasting, the third part of the process, the governing board is able to make timely decisions to ensure the financial health of HOWE.

**d. How the school addressed previous financial compliance issues found by current authorizer (if applicable).**

Since being designated as a turnaround school for the 2012-13 school year, HOWE has not had any financial compliance issues.

# Attachment 11 School Litigation Information

Since Thomas Carr Howe Community High School does not have any school litigation information, Attachment 11 is not applicable.

# Attachment 12

## Statement of Assurances

## Exhibit D

### Statement of Assurances

The charter school agrees to comply with all of the following provisions: *(Read and check)*

- 1. A resolution or motion has been adopted by the charter school applicant's governing body that authorizes the submission of this application, including all understanding and assurances contained herein, directing and authorizing the applicant's designated representative to act in connection with the application and to provide such additional information as required.
- 2. Recipients operate (or will operate if not yet open) a charter school in compliance with all federal and state laws, including Indiana Charter Schools Law as described in all relevant sections of IC § 20-24.
- 3. Recipients will, for the life of the charter, participate in all data reporting and evaluation activities as required by ICSB and IDOE. See in particular IC § 20-20-8-3 and relevant sections of IC § 20-24.
- 4. Recipients will comply with all relevant federal laws including, but not limited to, the *Age Discrimination in Employment Act* of 1975, Title VI of the *Civil Rights Act* of 1964, Title IX of the *Education Amendments of 1972*, section 504 of the *Rehabilitation Act* of 1973, Part B of the *Individuals with Disabilities Education Act*, and section 427 of the *General Education Provision Act*.
- 5. Recipients will comply with all provisions of the Non regulatory Guidance—Public Charter Schools Program of the U.S. Department of Education, which includes the use of a lottery for enrollment if the charter school is oversubscribed, as well as with applicable Indiana law. See also relevant sections of IC § 20-24.
- 6. Recipients shall ensure that a student's records, and, if applicable, a student's individualized education program as defined at 20 U.S.C. § 1401(14) of the *Individuals with Disabilities Education Act*, will follow the student, in accordance with applicable federal and state law.
- 7. Recipients will comply with all provisions of the *Elementary and Secondary Education Act of 1965*, as amended by the *Every Student Succeeds Act of 2015* ("ESSA"), including but not limited to, provisions on school prayer, the Boy Scouts of America Equal Access Act, the Armed Forces Recruiter Access to Students and Student Recruiting Information, the Unsafe School Choice Option, the Family Educational Rights and Privacy Act ("FERPA") and assessments.

- 8. Recipients will operate with the organizer serving in the capacity of fiscal agent for the charter school and in compliance with generally accepted accounting principles.
- 9. Recipients will at all times maintain all necessary and appropriate insurance coverage.
- 10. Recipients will indemnify and hold harmless ICSB, the State of Indiana, all school corporations providing funds to the charter school (if applicable), and their officers, directors, agents and employees, and any successors and assigns from any and all liability, cause of action, or other injury or damage in any way relating to the charter school or its operation.
- 11. Recipients understand that ICSB may revoke the charter if ICSB deems that the recipient is not fulfilling the academic goals, fiscal management, or legal and operational responsibilities outlined in the charter.

I, the undersigned, am an authorized representative of the charter school applicant and do hereby certify that the information submitted in this application is accurate and true to the best of my knowledge and belief. In addition, I do hereby certify to the assurances contained above.

  Derek Redelman  

Name



Signature

  2/24/2019  

Date

Attachment 13  
Academic Performance  
Workbook

**Organizer/Management Company Portfolio Summary**

Please complete for each school currently or formerly operated by the organizer or management company. Insert additional rows as needed.

| School Name                                     | Address                                       | Contact Information | School Information   |             |                             |      | Grade Levels | Number of Students | FRL % | Special Education % | Minority % | ELL %                      | Management Company |
|---|---|---------------------|--|-------------|-----------------------------|------|--------------|--------------------|-------|---------------------|------------|----------------------------|--------------------|
|   |   |                     | Name and Contact Information for Authorizer  | Year Opened | Year Closed (if applicable) |      |              |                    |       |                     |            |                            |                    |
| 1 Emma Donnan Elementary School (EDES)          | 1202 East Troy Avenue, Indianapolis, IN 46209 | 317-217-1979        | Indiana Charter School Board<br>Ron Sandlin-Senior Director, School Performance 143<br>W. Market Street, Suite 500, Indianapolis, IN 46204 (317)<br>232-0264 | 2015-2016   | N/A                         | K-6  | 298          | 100%               | 10.4% | 71.8%               | 9.1%       | Noble Education Initiative |                    |
| 2 Emma Donnan Middle School (EDMS)              | 1202 East Troy Avenue, Indianapolis, IN 46209 | 317-217-1979        | Indiana Charter School Board<br>Ron Sandlin-Senior Director, School Performance 143<br>W. Market Street, Suite 500, Indianapolis, IN 46204 (317)<br>232-0264 | 2012-2013   | N/A                         | 7-8  | 293          | 100%               | 21.1% | 62.1%               | 5.5%       | Noble Education Initiative |                    |
| 3 Emerich Manual High School (EMAN)             | 2405 Madison Avenue, Indianapolis, IN 46225   | 317-396-0064        | Indiana Charter School Board<br>Ron Sandlin-Senior Director, School Performance 143<br>W. Market Street, Suite 500, Indianapolis, IN 46204 (317)<br>232-0264 | 2012-2013   | N/A                         | 9-12 | 695          | 100%               | 21.0% | 54%                 | 8.9%       | Noble Education Initiative |                    |
| 4 Thomas Carr Howe Community High School (HOWE) | 4900 Julian Avenue, Indianapolis, IN 46201    | 317-217-1980        | Indiana Charter School Board<br>Ron Sandlin-Senior Director, School Performance 143<br>W. Market Street, Suite 500, Indianapolis, IN 46204 (317)<br>232-0264 | 2012-2013   | N/A                         | 7-12 | 577          | 100%               | 18.5% | 77.1%               | 6.2%       | Noble Education Initiative |                    |

**Organizer/Management Company Portfolio Summary**

Please complete for each school currently or formerly operated by the organizer or management company. Insert additional rows as needed

**School Performance**

Please provide the most recent **three years** of academic data, if available, for each school listed on Tab 1, inserting additional Tabs as necessary for additional schools. Insert additional rows as necessary for each grade level.

School Name: **Emma Donnan Elementary School**

| Year 1: | 2017-2018 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI | Attendance Rate | Post-Secondary Attainment % |
|---------|-----------|-------------|-----------------|-----------------|------------------|------------------|-----------------|------------------|------|-----------------|-----------------------------|
|         |           | K           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | 85.7%           | N/A                         |
|         |           | 1           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | 90.3%           | N/A                         |
|         |           | 2           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | 91.4%           | N/A                         |
|         |           | 3           | 0%              | 116.5           | 0%               | 95.7             | ISTEP+          | N/A              | N/A  | 92.6%           | N/A                         |
|         |           | 4           | 0%              | 116.5           | 28.60%           | 95.7             | ISTEP+          | N/A              | N/A  | 93.1%           | N/A                         |
|         |           | 5           | 29.50%          | 116.5           | 31.10%           | 95.7             | ISTEP+          | N/A              | N/A  | 94.1%           | N/A                         |
|         |           | 6           | 30.20%          | 116.5           | 23.30%           | 95.7             | ISTEP+          | N/A              | N/A  | 93.7%           | N/A                         |
| Year 2: | 2016-2017 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI | Attendance Rate | Post-Secondary Attainment % |
|         |           | K           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | 100%            | N/A                         |
|         |           | 1           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | 99.9%           | N/A                         |
|         |           | 2           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | 100%            | N/A                         |
|         |           | 3           | 0%              | 120.7           | 0%               | 108.3            | ISTEP+          | N/A              | N/A  | 100%            | N/A                         |
|         |           | 4           | 33.30%          | 120.7           | 0%               | 108.3            | ISTEP+          | N/A              | N/A  | 100%            | N/A                         |
|         |           | 5           | 39.00%          | 120.7           | 35.70%           | 108.3            | ISTEP+          | N/A              | N/A  | 100%            | N/A                         |
|         |           | 6           | 47.80%          | 120.7           | 41.30%           | 108.3            | ISTEP+          | N/A              | N/A  | 100%            | N/A                         |
| Year 3: | 2015-2016 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI | Attendance Rate | Post-Secondary Attainment % |
|         |           | K           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | 91.4%           | N/A                         |
|         |           | 1           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | 92.5%           | N/A                         |
|         |           | 2           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | 91.6%           | N/A                         |
|         |           | 3           | 0%              | 78.1            | 0%               | 50.0             | ISTEP+          | N/A              | N/A  | 94.2%           | N/A                         |
|         |           | 4           | 31.30%          | 78.1            | 31.30%           | 50.0             | ISTEP+          | N/A              | N/A  | 90.9%           | N/A                         |
|         |           | 5           | 30.30%          | 78.1            | 48.50%           | 50.0             | ISTEP+          | N/A              | N/A  | 91.5%           | N/A                         |
|         |           | 6           | 37.10%          | 78.1            | 0%               | 50.0             | ISTEP+          | N/A              | N/A  | 88.5%           | N/A                         |
| Year 4: | 2014-2015 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI | Attendance Rate | Post-Secondary Attainment % |
|         |           | K           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 1           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 2           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 3           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 4           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 5           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 6           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
| Year 5: | 2013-2014 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI | Attendance Rate | Post-Secondary Attainment % |
|         |           | K           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 1           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 2           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 3           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 4           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 5           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |
|         |           | 6           | N/A             | N/A             | N/A              | N/A              | N/A             | N/A              | N/A  | N/A             | N/A                         |

### Organizer/Management Company Portfolio Summary

Please complete for each school currently or formerly operated by the organizer or management company. Insert additional rows as needed

#### School Performance

Please provide the most recent **three years** of academic data, if available, for each school listed on Tab 1, inserting additional Tabs as necessary for additional schools. Insert additional rows as necessary for each grade level.

School Name: Emma Donnan Middle School

| Year 1: | 2017-2018 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI | Attendance Rate | Post-Secondary Attainment % |
|---------|-----------|-------------|-----------------|-----------------|------------------|------------------|-----------------|------------------|------|-----------------|-----------------------------|
|         |           | 7           | 38.20%          | 113.9           | 29.90%           | 105.6            | ISTEP+          | N/A              | N/A  | 86.9%           | N/A                         |
|         |           | 8           | 35.10%          | 113.9           | 26.90%           | 105.6            | ISTEP+          | N/A              | N/A  | 84.2%           | N/A                         |
| Year 2: | 2016-2017 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI | Attendance Rate | Post-Secondary Attainment % |
|         |           | 7           | 31.00%          | 71.3            | 14.70%           | 84.5             | ISTEP+          | N/A              | N/A  | 90.2%           | N/A                         |
|         |           | 8           | 22.90%          | 71.3            | 13.10%           | 84.5             | ISTEP+          | N/A              | N/A  | 87.8%           | N/A                         |
| Year 3: | 2015-2016 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI | Attendance Rate | Post-Secondary Attainment % |
|         |           | 7           | 17.60%          | 59.1            | 9.30%            | 73.6             | ISTEP+          | N/A              | N/A  | 82.9%           | N/A                         |
|         |           | 8           | 18.60%          | 59.1            | 12.10%           | 73.6             | ISTEP+          | N/A              | N/A  | 86.6%           | N/A                         |
| Year 4: | 2014-2015 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI | Attendance Rate | Post-Secondary Attainment % |
|         |           | 7           | 23.70%          | Not Available   | 20.40%           | Not Available    | ISTEP+          | N/A              | N/A  | 87.6%           | N/A                         |
|         |           | 8           | 19.90%          | Not Available   | 11.50%           | Not Available    | ISTEP+          | N/A              | N/A  | 85.7%           | N/A                         |
| Year 5: | 2013-2014 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI | Attendance Rate | Post-Secondary Attainment % |
|         |           | 7           | 37.70%          | 0.00            | 49.00%           | 0.00             | ISTEP+          | N/A              | N/A  | 88.6%           | N/A                         |
|         |           | 8           | 37.00%          | 0.00            | 39.00%           | 0.00             | ISTEP+          | N/A              | N/A  | 87.4%           | N/A                         |

### Organizer/Management Company Portfolio Summary

Please complete for each school currently or formerly operated by the organizer or management company. Insert additional rows as needed

#### School Performance

Please provide the most recent three years of academic data, if available, for each school listed on Tab 1, inserting additional Tabs as necessary for additional schools. Insert additional rows as necessary for each grade level.

School Name: Emmerich Manual High School

| Year 1: | 2017-2018 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI          | Attendance Rate | Post-Secondary Attainment % |
|---------|-----------|-------------|-----------------|-----------------|------------------|------------------|-----------------|------------------|---------------|-----------------|-----------------------------|
|         |           | 9           | 38.70%          | N/A             | 21.20%           | N/A              | Engrade         | 78.30%           | 50.50%        | 86.50%          | N/A                         |
|         |           | 10          | 23.60%          | 83.2            | 7.90%            | 91.4             | ISTEP+ Grade 10 | 78.30%           | 50.50%        | 87.10%          | N/A                         |
|         |           | 11          | 40%             | N/A             | 21%              | N/A              | Engrade         | 78.30%           | 50.50%        | 85.00%          | N/A                         |
|         |           | 12          | 47%             | N/A             | 27%              | N/A              | Engrade         | 78.30%           | 50.50%        | 78.90%          | N/A                         |
| Year 2: | 2016-2017 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI          | Attendance Rate | Post-Secondary Attainment % |
|         |           | 9           | 28.00%          | 53.00%          | 20.00%           | 51.00%           | NWEA            | 78.00%           | 46.90%        | 85.50%          | N/A                         |
|         |           | 10          | 25.60%          | 95.3            | 10.10%           | 91.8             | ISTEP+ Grade 10 | 78.00%           | 46.90%        | 84.00%          | N/A                         |
|         |           | 11          | 46.0%           | N/A             | 41.0%            | N/A              | NWEA            | 78.00%           | 46.90%        | 82.20%          | N/A                         |
|         |           | 12          | N/A             | N/A             | N/A              | N/A              | N/A             | 78.00%           | 46.90%        | 78.50%          | N/A                         |
| Year 3: | 2015-2016 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI          | Attendance Rate | Post-Secondary Attainment % |
|         |           | 9           | 41.00%          | 45.00%          | 30.00%           | 31.00%           | NWEA            | 82.70%           | 17.50%        | 77.40%          | N/A                         |
|         |           | 10          | 17.10%          | Not Available   | 0%               | Not Available    | ISTEP+ Grade 10 | 82.70%           | 17.50%        | 77.50%          | N/A                         |
|         |           | 11          | 49.00%          | N/A             | 36.00%           | N/A              | NWEA            | 82.70%           | 17.50%        | 79.40%          | N/A                         |
|         |           | 12          | N/A             | N/A             | N/A              | N/A              | N/A             | 82.70%           | 17.50%        | 79.30%          | N/A                         |
| Year 4: | 2014-2015 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI          | Attendance Rate | Post-Secondary Attainment % |
|         |           | 9           | 43%             | 77%             | 14%              | 47%              | NWEA            | 71.30%           | Not Available | 81.20%          | N/A                         |
|         |           | 10          | 52.10%          | N/A             | 8.10%            | N/A              | ECA             | 71.30%           | Not Available | 77.20%          | N/A                         |
|         |           | 11          | 42.90%          | N/A             | Suppressed       | N/A              | ECA             | 71.30%           | Not Available | 75.50%          | N/A                         |
|         |           | 12          | Suppressed      | N/A             | Suppressed       | N/A              | ECA             | 71.30%           | Not Available | 76.50%          | N/A                         |
| Year 5: | 2013-2014 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used | 4-Year Grad Rate | CCRI          | Attendance Rate | Post-Secondary Attainment % |
|         |           | 9           | 29%             | N/A             | 13%              | N/A              | NWEA            | 73.60%           | 9.90%         | 79.60%          | N/A                         |
|         |           | 10          | 63.20%          | 23.10%          | 18.20%           | 12.90%           | ECA             | 73.60%           | 9.90%         | 80.00%          | N/A                         |
|         |           | 11          | 42.90%          | 84.00%          | 9.10%            | 65.00%           | ECA             | 73.60%           | 9.90%         | 77.20%          | N/A                         |
|         |           | 12          | Suppressed      | 84.00%          | Suppressed       | 65.00%           | ECA             | 73.60%           | 9.90%         | 76.80%          | N/A                         |

### Organizer/Management Company Portfolio Summary

Please complete for each school currently or formerly operated by the organizer or management company. Insert additional rows as needed

#### School Performance

Please provide the most recent three years of academic data, if available, for each school listed on Tab 1, inserting additional Tabs as necessary for additional schools. Insert additional rows as necessary for each grade level.

School Name: **Thomas Carr Howe Community High School**

| Year 1: | 2017-2018 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used       | 4-Year Grad Rate | CCRI          | Attendance Rate | Post-Secondary Attainment % |
|---------|-----------|-------------|-----------------|-----------------|------------------|------------------|-----------------------|------------------|---------------|-----------------|-----------------------------|
|         |           | 7           | 18.90%          | 80.1            | 0%               | 84.5             | ISTEP+                | N/A              | N/A           | 91.80%          | N/A                         |
|         |           | 8           | 41.70%          | 80.1            | 31.40%           | 84.5             | ISTEP+                | N/A              | N/A           | 88.20%          | N/A                         |
|         |           | 9           | 35.00%          | N/A             | 23.00%           | N/A              | Engrade (McGraw-Hill) | 91.80%           | 5.30%         | 82.90%          | N/A                         |
|         |           | 10          | 23.50%          | 101.8           | 0%               | 136.5            | ISTEP+ Grade 10       | 91.80%           | 5.30%         | 78.10%          | N/A                         |
|         |           | 11          | N/A             | N/A             | N/A              | N/A              | N/A                   | 91.80%           | 5.30%         | 76.60%          | N/A                         |
|         |           | 12          | N/A             | N/A             | N/A              | N/A              | N/A                   | 91.80%           | 5.30%         | 73.70%          | N/A                         |
| Year 2: | 2016-2017 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used       | 4-Year Grad Rate | CCRI          | Attendance Rate | Post-Secondary Attainment % |
|         |           | 7           | 37.40%          | 68.3            | 22.30%           | 76.9             | ISTEP+                | N/A              | N/A           | 90.90%          | N/A                         |
|         |           | 8           | 20.60%          | 68.3            | 19.70%           | 76.9             | ISTEP+                | N/A              | N/A           | 83.50%          | N/A                         |
|         |           | 9           | 36.00%          | 28.00%          | 33.00%           | 61.00%           | NWEA                  | 48.70%           | 6.50%         | 83.80%          | N/A                         |
|         |           | 10          | 21.30%          | 69.3            | 0%               | 83.2             | ISTEP+ Grade 10       | 48.70%           | 6.50%         | 81.70%          | N/A                         |
|         |           | 11          | 30.00%          | N/A             | 41.00%           | N/A              | NWEA                  | 48.70%           | 6.50%         | 83.10%          | N/A                         |
|         |           | 12          | N/A             | N/A             | N/A              | N/A              | N/A                   | 48.70%           | 6.50%         | 74.60%          | N/A                         |
| Year 3: | 2015-2016 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used       | 4-Year Grad Rate | CCRI          | Attendance Rate | Post-Secondary Attainment % |
|         |           | 7           | 21.00%          | 73.3            | 0%               | 69.5             | ISTEP+                | N/A              | N/A           | 81.90%          | N/A                         |
|         |           | 8           | 25.00%          | 73.3            | 19.70%           | 69.5             | ISTEP+                | N/A              | N/A           | 80.50%          | N/A                         |
|         |           | 9           | 27.00%          | 55.00%          | 14.00%           | 35.00%           | NWEA                  | 63.00%           | 10.70%        | 83.50%          | N/A                         |
|         |           | 10          | 17.80%          | 73.3            | 0%               | 69.5             | ISTEP+ Grade 10       | 63.00%           | 10.70%        | 84.40%          | N/A                         |
|         |           | 11          | 41%             | N/A             | 36%              | N/A              | NWEA                  | 63.00%           | 10.70%        | 76.60%          | N/A                         |
|         |           | 12          | N/A             | N/A             | N/A              | N/A              | N/A                   | 63.00%           | 10.70%        | 74.60%          | N/A                         |
| Year 4: | 2014-2015 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used       | 4-Year Grad Rate | CCRI          | Attendance Rate | Post-Secondary Attainment % |
|         |           | 7           | 28.00%          | Not Available   | 21.30%           | Not Available    | ISTEP+                | N/A              | N/A           | 87.90%          | N/A                         |
|         |           | 8           | 19.30%          | Not Available   | 9.50%            | Not Available    | ISTEP+                | N/A              | N/A           | 81.70%          | N/A                         |
|         |           | 9           | 19.00%          | 56.00%          | 16.00%           | 53.00%           | NWEA                  | 70.00%           | Not Available | 83.40%          | N/A                         |
|         |           | 10          | 54.30%          | N/A             | 0%               | N/A              | ECA                   | 70.00%           | Not Available | 76.10%          | N/A                         |
|         |           | 11          | Suppressed      | N/A             | Suppressed       | N/A              | ECA                   | 70.00%           | Not Available | 77.90%          | N/A                         |
|         |           | 12          | Suppressed      | N/A             | Suppressed       | N/A              | ECA                   | 70.00%           | Not Available | 68.80%          | N/A                         |
| Year 5: | 2013-2014 | Grade Level | ELA Proficiency | ELA Growth (VA) | Math Proficiency | Math Growth (VA) | Instrument Used       | 4-Year Grad Rate | CCRI          | Attendance Rate | Post-Secondary Attainment % |
|         |           | 7           | 55.40%          | 2.00            | 47.50%           | 0.00             | ISTEP+                | N/A              | N/A           | 86.20%          | N/A                         |
|         |           | 8           | 53.40%          | 2.00            | 46.60%           | 0.00             | ISTEP+                | N/A              | N/A           | 85.80%          | N/A                         |
|         |           | 9           | 30.00%          | N/A             | 16.00%           | N/A              | NWEA                  | 61.00%           | 3.20%         | 79.10%          | N/A                         |
|         |           | 10          | 43.70%          | 11.8%           | 18.2%            | 5.0%             | ECA                   | 61.00%           | 3.20%         | 82.00%          | N/A                         |
|         |           | 11          | 50.00%          | 75.00%          | Suppressed       | 57.10%           | ECA                   | 61.00%           | 3.20%         | 81.50%          | N/A                         |
|         |           | 12          | Suppressed      | 75.00%          | Suppressed       | 57.10%           | ECA                   | 61.00%           | 3.20%         | 73.60%          | N/A                         |

# Attachment 14

## Written Acknowledgement of Authorizer

Since Thomas Carr Howe Community High School is not currently a charter school, and therefore does not have an authorizer, Attachment 14 is not applicable.

# Attachment 15 Official Notice of Charter Termination or Nonrenewal

Since Thomas Carr Howe Community High School is not currently a charter school that has received a charter termination or nonrenewal, Attachment 15 is not applicable.