



The be **THE** model of excellence and innovation in education.

*We teach and inspire the mind, body, and spirit of our children so that they can succeed in any academic or cultural setting.*

Promise Academies  
Board of Directors Meeting  
Location: Promise Academy Spring Hill PD Room & Zoom

**February 29, 2024**

**4:00 PM**

**Zoom Link:**

[https://us06web.zoom.us/my/promiseacademy?pwd=ZnI4UUhlZ0JqRGhhYVVzdjFhUU!  
! YUT09&omn=82456580157](https://us06web.zoom.us/my/promiseacademy?pwd=ZnI4UUhlZ0JqRGhhYVVzdjFhUU!YUT09&omn=82456580157)

I. Call to order – Mr. Charles Gerber

I. Invocation – Mr. Anthony Branch

II. Approval of November 16, 2024

III. Public Comments

IV. Promise Merit Winners

- a. PAHW – Quita Hall, Myron Hobson, Andrew Owens, and Deidra White
- b. PASH – Samantha Josey-Borden, Jessica Patterson, LaTarsha Wiggins, and Demtrius Terry,
- c. Network – Kimbra McBride

V. Finance Report – Ms. Carmen Fondren & Mr. Greg Thompson

VI. Old Business

- a. 2022 Audit
- b. Tennessee Public Charter Commission
- c. Website – <https://youtu.be/7Sn0XGDQCvk>

VII. New Business

- a. The Marston Group, PLC
- b. Power Solutions, LLC
- c. Tennessee Career Academy
- d. Summer Boost – Bloomberg Foundation
- e. Teach for America – Ignite Program
- f. Memphis Teacher Residency – Reading Specialist Certification Program

VIII. Department & School Reports

- a. Accountability – Dr. Kiasi Malone
- b. Academics – Mrs. Kimbra McBride
- c. Special Populations – Mrs. Toremika Brown

- d. Operations – Mrs. Kristen McGlasson
- e. Technology – Mr. Ricky Richardson
- f. Hollywood – Mr. Jeffrey Monroe
- g. Spring Hill – Mr. Toby Finley
- h. Network – Dr. Patrick Washington

IX. Dates to Remember

- a. State of the Network – TBD
- b. April 11<sup>th</sup> Finance Committee Meeting
- c. April 18<sup>th</sup> Board Meeting

phis Performance

MINUTES OF MEETING OF  
THE BOARD OF DIRECTORS OF  
PROMISE ACADEMY

A meeting of the Board of Directors of Promise Academy was held at the Promise Academy Hollywood (PAHW) PD Room (2<sup>nd</sup> Floor) Zoom Conference Call, on November 16, 2023, at 4:07 p.m.

Members Present:

Patrick Washington, Anthony Branch, Diana Burton, Stephanie Chittom (virtual), Candis Dawson Taylor (virtual), Charles Gerber, Colenzo Hubbard (virtual), Gary Millender (virtual), Emily Woodside

Parent Teacher Organization Members Present: none

Visitor(s):

- Jeffrey Monroe, Principal, Promise Academy Hollywood
- Toby Finley, Principal, Promise Academy Spring Hill
- Tiffany Smith (virtual), Assistant Principal, Promise Academy Spring

- Hill ○ Carmen Fondren, Financial Manager, Promise Academy
- Terry Russell, Executive Assistant, Promise Academy
- Toremika Brown, Chief of Special Populations, Promise Academy
- Dr. Kiasi Malone, Chief of Accountability, Promise Academy
- Kimbra McBride, Chief Academic Officer, Promise Academy
- Kristen McGlasson, Chief of Operations, Promise Academy
- . Ricky Richardson, Director of IT, Promise Academy
- . Greg Thompson, Founder/CEO, GT3 Group LLC

Invocation: Anthony Branch

Call to Order: Charles Gerber

Celebrations & Spottights \_ Dr. Patrick Washington

- Promise Merit Winners for August, September and October announced

Finance Report \_ Greg Thompson GT3 and Carmen Fondren, Finance Manager, Promise Academy

- Promise Academy Financial Update was distributed and discussed.

○ Hollywood Year-to- Date Through 9-30-2023 Financials:

- Lower than expected enrollment has contributed to deficit
- ESSER 3.0 will rollover to FY24
- Cash will go up as we receive philanthropy

○ Spring Hill Year-to- Date Through 9-30-2023 Financials:

- we are on-track (350 students); revenue looks good
- Early deficit is expected due to timing of revenue receipt; it

financialscorecard

- Some of the ESSER 3.0 funding will be rolled over to FY24
- TISA funding formula is more equitable as it is based on student needs

Motion: To approve financials as presented. Motion seconded and approved.

Old Business \_ Dr. Patrick Washington

- Audit: Seeking new auditing firm therefore completed audit may be delayed **e**
- TN Public Charter School Commission Update
  - Public meeting for Spring Hill went well
  - Executive Director's Findings and Preliminary Recommendation was distributed **o**
  - Commission cannot make final recommendation for renewal until audit is complete

Principal Report \_ Jeffrey Monroe, Promise Academy Hollywood (PAH)

- ┌ Primary focus is on instruction and increasing enrollment
- ┌ Will create a plan for community outreach
- Received <sup>S12K</sup> in funding that will be used for updating sports equipment/facilities **o**
- Discussed current sports and other extracurricular programs

Principal Report \_ Toby Finley, Promise Academy Spring Hill (PASH)

- ┌ Primary focus is on instruction, using data, supporting teachers, and utilizing MCLs **┌**
- ┌ Staying consistent with enrollment

Department Report \_ Kimbra McBride, Academics

- Discussed how the Lavinia Group (3'd year) assists Promise with supporting MCLs, tracking teacher goals and supporting Principals and Assistant principals as instructional leaders **o**
- Meet with consultants weekly
- Hollywood Level 5 status and Springhill Level 3 status

Department Report \_ Dr. Kiasi Malone, Accountability

- External partnerships have been doing well
- Third Grade Retention <sup>Law</sup> \_ All 4th graders are receiving daily, small group instruction and must meet TCAP performance goals to qualify for promotion next year. Only one student was retained to repeat the 3'd grade
- School Improvement Plan was completed but was submitted several times before approval **o**
- Teachers are 100% licensed at Spring Hill ; Three teachers at Hollywood are working on an alternative path to licensure through the University of Arizona

Department Report

- Department of Special Populations
- Department of Special Populations
- Department of Special Populations
- Department of Special Populations

Department  
Report  
Toremika  
Brown, Special  
Populations

Department Report

- Department of Special Populations

Department Report

- Department of Special Populations

Department Report

- Department of Special Populations
- Department of Special Populations
- Department of Special Populations

Department Report

- Department of Special Populations

Department Report

Department Report

Department Report

Department Report

Department Report

Department Report

Department Report

┌ Discussed number Of PASH and PAH students in each category of special populations and how they are supported

Department Report \_ Ricky Richardson, Technology

┌ Discussedcampussafety/securityincluding:

- Parking Lot at Spring Hill
- Visitor check-in procedures and system at Spring Hill

Executive Director's Report (Network) \_ Dr. Patrick Washington

┌ Presented Powers Solutions' proposal for Promise Academy strategic communications to support Spring Hill campus acquisition, school marketing and student recruitment. (See handout)

┌ Board Development: Mandatory board member training deadline extended to December 1\_5th

┌ Baldrige Assessment Update \_ need to schedule 16 minimum hours of follow-up meetings ○

Board Calendar -2023-2024 board meeting calendar presented for approval

Motion: To accept and approve the corrected 2023-2024 Promise Academy Board Meeting calendar as presented. Motion seconded and approved.

Additional Discussion:

┌ Student Holiday Bags (Carmen Fondren): Items for the bags have been ordered. Additional financial support for the project is needed.

Motion: To adjourn. Motion was seconded and approved.

President's Report \_ none

Parent/Teacher Organization (PTO) Report \_ none

Next Board Meeting: Thursday, February 22,2024 at 4:00 pm at Promise Academy Spring Hill

Meeting adjourned at approximately 5:15 pm

Charles C. Gerber, President

Grady M. Garrison, Secretary

4848-8521-8370v36  
9500010-002611 11/28/2023

4 4  
4848-8521-8370v36  
9500010-002611 11/28/2023



promise

HOLLYWOOD



acad

SH

**Financial Update  
February 29, 2024**

<sup>1</sup>

**Hollywood Financials  
Year-to-Date Through  
12-31-2023**



2

## Financial Notes (year to date

through December 31, 2023)



- **Enrollment:** Hollywood currently has ~ 253 students in K-5 (versus 280 in the Board Budget). This will lead to an approximate \$226.5K decrease in TISA (per pupil) funding. Per pupil funding is approximately \$12,200.
- **ESSER 3.0 Funding:** The school will rollover approximately \$501K in ESSER 3.0 funds. The FY24 Board Budget originally projected \$176K in ESSER 3.0 rollover funds. The difference is attributable to Shelby County requiring Promise to rollover ESSER 3.0 funds that were previously intended to be submitted in fiscal year 2022 and 2023. **For FY24, this will offset decreased revenue from TISA and lower enrollment, but it will also lower revenue for FY22.**

### Grant Funding

- **ESSER 3.0:** \$501.1K (will cover staffing costs); \$144.2K received through February
- **Title I Funding:** \$216.9K (will primarily cover staffing costs); \$57.6K received through February
- **TN Dept. of Education**

**Facilities Grant:** \$145.6K

- **First8 (PreK):** \$132.5K (\$99.375K received)

**Philanthropic Funding:** Charles Gerber funding \$280K (\$1K per student) as well as costs for Boys and Girls Club (\$180K). Fleetwood covering costs for Lavinia (~\$250K).

3

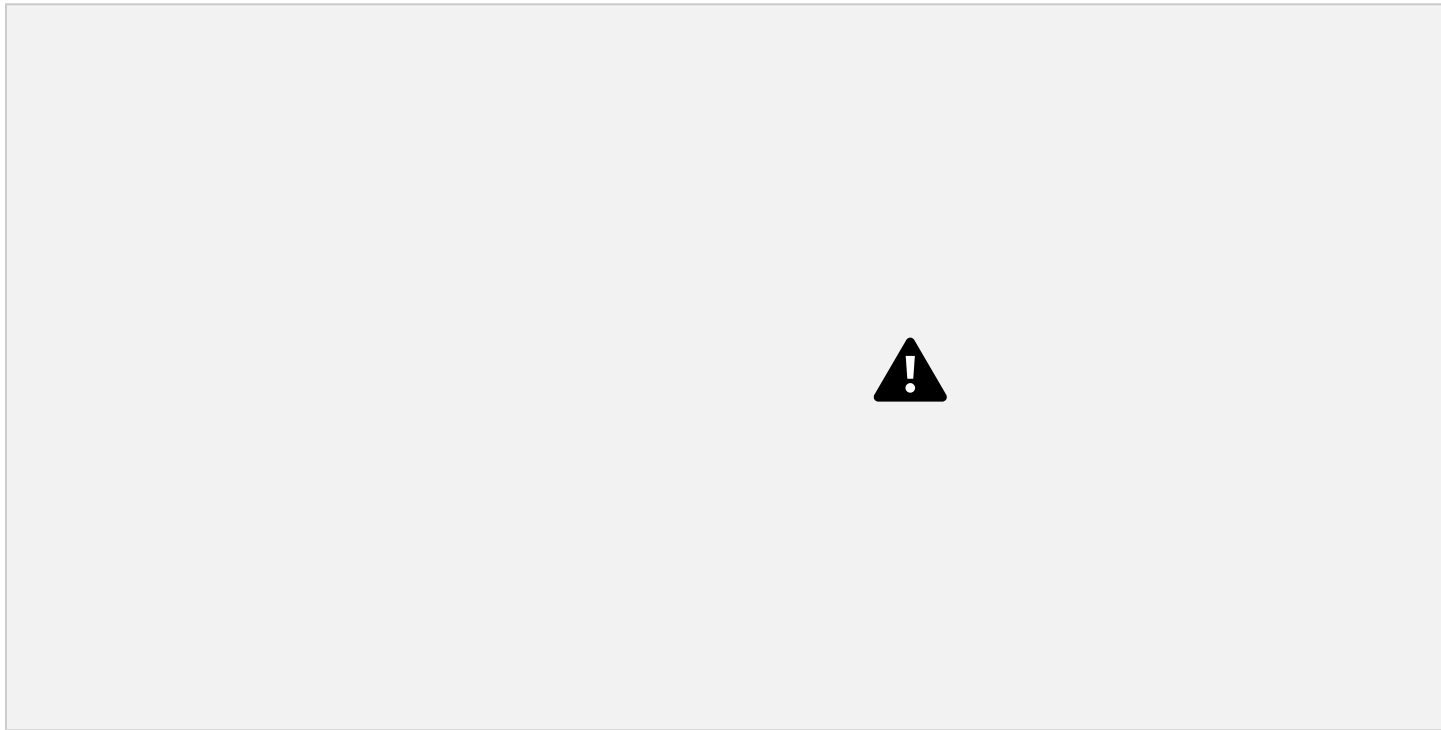
### **Additional Notes:**



- Cash balance:
  - At 12-31-23: \$400,198
  - At 2-22-2024: \$461,139
- Current accounts payables balance: \$222,557
- School has a line of credit of \$200K drawn with Truist

4

# FY2024 Cash Flow Forecast



5

## BUDGET SUMMARY

Account Category **REVENUE**

Board Budget 2023-2024  
Year to Date  
(Through December 31, 2023)  
Current  
Projections  
Year to Date as a  
% of Current  
Forecast Notes

*Shared services revenue from SH; Uniforms, Field trips, and other  
Charges for Current Services \$19,500 \$13,209 \$25,081  
52.67%  
fees*

Other Local Revenues \$1,019,765 \$535,007 \$1,052,867 State of TN \$3,319,708 \$1,615,595 \$3,238,853

50.81% Philanthropy, First 8, and E-Rate.

TISA (TISA funding based being projected on 253.5 students at

Federal Government \$390,741 \$125,689 \$767,040

49.88%

\$12,200 per student)

Other Sources

**TOTAL REVENUE \$4,749,713 \$2,289,500 \$5,083,840**

**EXPENSES**

**Personnel**

Salaries \$2,224,799 \$1,068,912 \$2,244,912 Benefits \$528,390 \$293,286 \$622,566 23.75% 27.44% 27.73%

**Non-Personnel**

Contracted Services \$1,446,180 \$822,714 \$1,621,537

16.39% Title I and ESSER 3.0 rollover funding.

NA Other Income

**45.03%**

47.61% Salaries line now includes joint staff from Network. 47.11%

*Includes Instructional Contracted Services, Transportation, Substitute costs, financial management and Audit, professional*

Supplies and Materials \$416,884 \$343,792 \$574,369

50.74% 59.86%

*development (Including Lavinia).*

*Includes instructional supplies and software, office supplies, textbooks, utilities, copier lease, and other.*

Other Charges \$37,875 \$18,529 \$42,643 Debt Service \$5,000 \$23,282 \$23,282

Capital Expenses \$33,750 \$112,752 \$136,945

43.45% Business insurance and bank charges.

100.00% Interest payments for LOC and Note.

Office furniture and technology-related purchases; \$103.2K

**TOTAL EXPENSES \$4,692,878 \$2,683,267 \$5,266,254**

82.33% 50.95%

*windows covered under Competitive Facilities Grant.*

**SURPLUS / (DEFICIT) \$56,835**

**(\$393,767) (\$182,414)**

# Springhill Financials

## Year-to-Date Through

### 12-31-2023



7

#### Financial Notes (year to date

through December 31, 2023)

- **Enrollment:** Springhill currently has ~ 344 students in K-5 (versus 353 in the Board Budget). Per pupil funding is approximately \$11,919 (net of 3% fee from TN Charter Commission).
- **ESSER 3.0 Funding:** The school is rolling over approximately

\$241.3K in ESSER 3.0 funds. The FY24 Board Budget did not originally have ESSER 3.0 funding (as the previous expectation was to spend down all ESSER 3.0 funds in FY2023.) Delays from the ASD in opening the reimbursement window for ESSER 3.0 last year has necessitated rolling over funds into FY24.

### **Grant Funding**

- **ESSER 3.0 Funding:** \$241.3K (will cover staffing costs); reimbursements have not been received year to date.
- **Title I Funding:** \$292.9K; reimbursement have not been received year to date
- **Turnaround Action Grant:** \$137.9K; reimbursement have not been received year to date
- **IDEA:** \$60.7K; reimbursement have not been received year to date
- **First8 (PreK):** \$132.5K; (\$99.375K received)
- **VPK (PreK):** \$184.1K; reimbursements have not been received year to date

**Philanthropic Funding:** Charles Gerber funding \$350K (\$1K per student); costs for Boys and Girls Club and other after care costs (~\$200K); and preK (~\$200K) . Fleetwood covering costs for Lavinia (~\$250K).

8

### **Additional Notes:**



- Cash balance:
  - At 12-31-23: \$975,471
  - At 2-22-2024: \$1,093,856
- Current accounts payables balance: \$251,278

- School has a line of credit of \$350K drawn with Truist

9

## **FY2024 Cash Flow Forecast**







10

**BUDGET SUMMARY**

**Account Category REVENUE**

**Board Budget 2023-2024**

**Year to Date (Through**

**December 31, 2023)**

**Current Forecast**

**Year to Date as a % of Current Forecast**

Charges for Current Services Other Local Revenues

\$8,160 \$3,171 \$8,160 \$1,456,605 \$263,746 \$1,384,816

\$4,149,681 \$2,050,110 \$4,125,602

38.86% Modest amount of student fees.

19.05% Philanthropy, First 8, VPK, e-Rate.

TISA from 23-24 on - based on estimates from state, with 3% going to Commission. TISA funding based on 344 students at \$11,919.24 per

State of TN

49.69%

student (net of ASD 3% fee).

Federal Government \$492,734 \$0 \$848,471 Other Sources

0.00% Includes Title I, TAG 3.0 Grant, IDEA.

**TOTAL REVENUE \$6,107,179 \$2,317,027 \$6,367,049 36.39%**

**EXPENSES**

**Personnel**

Salaries \$2,927,219 \$1,177,730 \$2,395,730 Benefits \$585,444 \$282,234 \$585,444 20.00% 23.96% 24.44%

**Non-Personnel**

Contracted Services \$1,840,300 \$884,378 \$2,112,602

*Includes Instructional Contracted Services, Transportation, Substitute costs, financial management and Audit, professional development (Including Lavinia, which wasn't fully budgeted but is grant funded), as*

Supplies and Materials \$512,053 \$368,018 \$556,785 Other Charges \$46,142 \$25,412 \$59,122  
41.86% 66.10%

*well as Facilities Maintenance Costs.*

*Includes instructional supplies and software, office supplies, textbooks, utilities, copier lease, and other.  
42.98% Business insurance and bank charges.*

*Interest payments for LOC and Note. (Booked on Hollywood*

*Debt Service \$7,500 \$0 \$7,500*

*0.00%*

*Financials currently).*

*Capital Expenses and Other \$41,250 \$0 \$41,250*

*0.00% Office furniture and technology-related purchases.*

**TOTAL EXPENSES \$5,959,909 \$2,737,773 \$5,758,433 47.54%**

**(\$420,746)**

**SURPLUS / (DEFICIT) \$147,270 \$608,616**

11

# Appendix

# Hollywood Budget Detail



12

**Year to Date as  
a % of Current**

<b>Board Approved Budget 2023-2024</b>	<b>Year to Date (Through December 31, 2023)</b>
--	---

**Current Forecast**

**ENROLLMENT**

**ADM 280.00 253.50 43.75%**

**ACCOUNT NAME**

**REVENUE**

**Charges for Current Services**

**Forecast Variance Board Budget Notes/Assumptions Shared ratio based on students**

*Staffing moved into splits within staffing (recorded*

43570 · Shared Service Revenue \$0.00 \$0.00 \$0.00 44130 · Sales of Materials & Supplies \$0.00

NA \$0.00 NA \$0.00

*in contra personnel expense)*

44130-1 · Uniforms & Supplies \$15,000.00 \$7,128.00 \$15,000.00 44130-3 · Supplies & Materials \$2,000.00 \$0.00 \$2,000.00 44130-5 · Book Fair income \$2,000.00 \$0.00 \$2,000.00 44130-6 · Field Trip Revenue \$500.00 \$3,626.13 \$3,626.13 44170 · Miscellaneous Refunds \$0.00 \$2,454.72 \$2,454.72 Memo - Aftercare \$0.00 \$0.00

Memo - Office Assistant \$0.00 \$0.00 **Total Charges for Current Services \$19,500.00 \$13,208.85 \$25,080.85 Other Local Revenues**

*47.52% \$0.00 Sales of uniforms and apparel*

*0.00% \$0.00 Other fees, sales*

*0.00% \$0.00 Book fair sales*

*100.00% \$3,126.13 Revenue from field trips*

*100.00% \$2,454.72*

*NA \$0.00*

*NA \$0.00*

**52.67% \$5,580.85**

*Estimated at \$1,000 per student or \$280K- Gerber*

44570 · Gifts and Donations-Budgeted - Other \$280,000.00 \$212,100.00 \$404,100.00 44575 · Other Gifts and Donations \$50,000.00 \$38,055.03

\$50,000.00

*52.49% \$124,100.00 76.11% \$0.00*

*Taylor Giving. Also includes \$122.1K for Summer Boost.*

*Hold for other philanthropy [ consolidated with line below]; \$32K year to date is for Summer Learning Grant. Need to confirm this should not be booked to FY23. \$4.5K TVA Grant. Record donation from Andy Taylor.*

44575 · Other Gifts and Donations - Other \$0.00 \$0.00 44575-13 Charity Fundraisers \$1,267.00 \$1,267.00

NA \$0.00 *Other gifts and grants - confirm proper level*

*100.00% \$1,267.00*

**13**

**PROMISE ACADEMY**

**REVENUE AND EXPENSE**

**Year to Date as  
a % of Current**

Board Approved Budget 2023-2024	Year to Date (Through December 31, 2023)
---------------------------------------	---

**Current Forecast**

**Forecast Variance Board Budget Notes/Assumptions** Additional philanthropy - projected to match expenses for: portion of \$500,000 for Lavinia (3 years) , \$180,000 for Boys and Girls Club; Pickleball 3 seasons estimated at \$23K each - split, \$63,000 all memphis split.

**Year to Date Notes: Projecting**

44575-4 · Local Grant Revenue \$526,764.50 \$151,084.80 \$430,000.00

44575-7 · First 8 Grant/SEL Grant \$128,000.00 \$132,500.00 \$132,500.00 44146 · E-rate Discount \$35,000.00 \$0.00 \$35,000.00 35.14% (\$96,764.50) 100.00% \$4,500.00

**\$250K for Lavinia and \$180K for Boys and Girls Club. Removing Pickleball and ALL Memphis. Projected First 8 Renewal - 1 classroom - Porter Leath . \$132.5 K. Year to date is \$66,250. 50% should have been sent to Springhill.**

44575-5 · Commission Income \$0.00 \$0.00 \$0.00 46515 · VPK Revenue \$0.00 \$0.00 44130-4 · Fundraiser Income \$0.00 \$0.00

**Total Other Local Revenues \$1,019,764.50 \$535,006.83 \$1,052,867.00**

0.00% \$0.00 E-rate ~\$80K for network, shared NA \$0.00

NA \$0.00

NA \$0.00

NA

**State of Tennessee**

50.81% NA

NA

**\$33,102.50**

46511 · Basic Education Program \$3,319,707.66 \$1,615,595.10 \$3,093,231.99 46980-1 · Facilities Grant \$0.00 \$0.00 \$145,620.73 BEP Capital \$0.00 \$0.00 Memo - BEP Deficit \$0.00 \$0.00 \$0.00 \$0.00

52.23% (\$226,475.68) TISA (TISA funding based being projected on 253.5 students at \$12,200 per student)

0.00% \$145,620.73 TN per pupil sunseting

NA \$0.00 Rolling into TISA

NA \$0.00

Beth's BEP Accrual Adjustment NA \$0.00

**Total State of Tennessee \$3,319,707.66 \$1,615,595.10 \$3,238,852.72**

**Federal Government**

47141 · Title 1 \$214,420.00 \$49,662.56 \$216,911.00 47309 · ESSER 2.0 \$0.00 \$0.00 \$0.00 47310 · ESSER 3.0 \$176,321.00 \$26,964.56 \$501,066.96

47590 · Other Federal Through State \$0.00 \$49,061.95 \$49,061.95 47590-2 · Turnaround Action Grant(TAG) \$0.00 \$0.00 47143 · Special Education -

IDEA \$0.00 \$0.00 47145 · Special Ed-Preschool IDEA \$0.00 \$0.00 47189 · Title II Prof Development \$0.00 \$0.00

**49.88% (\$80,854.95)**

22.90% \$2,491.00 Allocation from MSCS

NA \$0.00

5.38% \$324,745.96 Estimated ESSER 3 rollover

100.00% \$49,061.95 Porter Leath Child Care Grant (offset by expenses) NA \$0.00

NA \$0.00

NA \$0.00

NA \$0.00

14

**PROMISE ACADEMY  
REVENUE AND EXPENSE**

**Year to Date as  
a % of Current**

Board Approved Budget 2023-2024	Year to Date (Through December 31, 2023)
---------------------------------------	---

**Current Forecast**

**Total Federal Government \$390,741.00 \$125,689.07 \$767,039.91 TOTAL REVENUE \$4,749,713.16 \$2,289,499.85 \$5,083,840.48**

**EXPENSE**

**Personnel**

Salaries \$1,068,911.70 \$2,244,911.70

**\$2,224,798.87**

Stipends and Bonuses \$0.00 \$0.00 **\$528,389.73 \$293,285.92**

Benefits and Taxes \$622,565.92 **Total Personnel \$2,753,188.60 \$1,362,197.62 \$2,867,477.62**

**Contracted Services**

389 Student Health Services \$51,500.00 \$16,327.51 \$51,500.00

**Forecast Variance Board Budget Notes/Assumptions 16.39% \$376,298.91**

**45.03% \$334,127.31**

*47.61% \$20,112.83 Largely based upon 3% increases for staff; includes stipends*

NA

*47.11% \$94,176.19 Estimated at ~24%*

**47.51% \$114,289.02**

*31.70% \$0.00 Well Child - Contracted Nursing Services budgeted as ~\$5.1K a month for 10 months*

*LCPA/GT3 for back-office financial services. GT3*

301 Accounting and Finance Services \$52,500.00 \$30,000.00 \$52,500.00 302 Advertising \$15,000.00 \$2,549.50 \$15,000.00

57.14% \$0.00

*costs being split 50/50 (which is a slightly different % from board budget split.)*

305 Audit \$28,000.00 \$0.00 \$28,000.00 307 Communication \$83,232.00 \$45,647.69 \$83,232.00 312 Early Childhood Contracted Services

\$128,000.00 \$53,000.00 \$132,500.00 316 SPED Contracted Services \$23,055.52 \$0.00 \$23,055.52

*17.00% \$0.00 Advertising and other marketing/design 0.00% \$0.00 Audit fees.*

*54.84% \$0.00 AT&T Services; GT3 -- may need to increase this line item.*

*40.00% \$4,500.00 Contracted First 8 Porter Leath - matched with revenue above*

*0.00% \$0.00 Lebonheur Services - estimated based upon prior year trend*

*Dues and Subscriptions (Survey Monkey, microsoft*

320 Dues & Memberships \$8,000.00 \$3,818.19 \$8,000.00 322 Evaluation & Testing \$0.00

47.73% \$0.00

NA \$0.00

**15**

*etc.) Year-to-date - TN Charter School Center \$2,810; Scribd, Educational and Mem., Adobe)*

**PROMISE ACADEMY**

**REVENUE AND EXPENSE**

**Year to Date as  
a % of Current**

<b>Board Approved Budget 2023-2024</b>	<b>Year to Date (Through December 31, 2023)</b>
--	---

**Current Forecast**

**Forecast Variance Board Budget Notes/Assumptions**

325 SCS Authorizer Fee \$35,000.00 \$0.00 \$35,000.00

0.00% \$0.00 MSCS Annual authorizer fee. **on payment of this invoice.**

**GT3 - will follow up**

328 Janitorial Service \$129,600.00 \$81,250.00 \$167,500.00

48.51% \$37,900.00 Coverall of Memphis \$9,800/month + \$12K Annual waxing.

**GT3 - Increased based on spending trend.**

331 Legal Service \$7,500.00 \$7,659.50 \$10,000.00 348 Postal Charges \$500.00 \$46.51 \$500.00 355 Travel \$5,000.00 \$2,416.37 \$5,000.00 359 Disposal Fees \$6,000.00 \$4,486.90 \$6,000.00

76.60% \$2,500.00 Hold for ad hoc legal needs; year to date: Baker Donelson

9.30% \$0.00 Postal charges

48.33% \$0.00 Staff travel, estimated based on PY trend 74.78% \$0.00 Waste Connections of Tennessee - estimated at \$500/month

Substitutes - decreased based upon plans for cost control utilizing existing staffing (Revolving

369 Substitute Teachers \$45,000.00 \$62,165.93 \$113,970.87 370 Contracted Instruction Services \$13,000.00 \$6,500.00 \$13,000.00 54.55% \$68,970.87

Enrichment). **trend.**

**GT3 - Increasing based on spending**

393 Contracted Transportation \$190,627.32 \$69,808.42 \$190,627.32

50.00% \$0.00 Teach for America Fees

36.62% \$0.00 Cline - \$535.48/day, 2 buses

\$750/quarter for elevator maintenance; \$40/mo for

fire alarm monitoring + \$100 annual inspection;

LeBonheur charge of \$7,226 needs to be moved to SPED

399 Other Contracted Services \$8,580.00 \$56,300.66 \$56,300.66

399-1 Aftercare Contracted Serv \$214,500.00 \$67,225.35 \$214,500.00 399-2 Pest Control \$2,699.52 \$121.00 \$2,699.52

100.00% \$47,720.66 31.34% \$0.00

\$5,000 for other. LeBonheur and Food Costs in year to date costs.

Picklemania - \$69,000 estimated total@50%, Boys **Costs from**

and Girls Club - \$180,000 estimated.

**72410 399 need to be re-coded.**

Contracted Services.

First Choice Entertainment charge of \$14,375 needs to be moved to Janitorial.

4.48% \$0.00 Pest control, based on PY Trend Landscaping/Lawn Maintenance - cutting and

399-3 Lawn Maintenance \$9,320.00 \$16,463.50 \$20,000.00

82.32% \$10,680.00

fertilization; (Nature's Earth Products; Robert's Landscaping and Design; Herbi Systems.)

399-4 Security Service \$3,120.00 \$4,405.27 \$6,205.27

70.99% \$3,085.27 Security - Stanley convergent, \$260/month;

(Securitas Technologies; On the Top Security.)

Ongoing maintenance not funded by Competitive

399-5 Other Maintenance Services \$70,246.00 \$56,008.64 \$70,246.00

79.73% \$0.00

Facilities Grant [\$169K of PY expense for window project funded by Competitive Facilities grant]

399-6 Payroll, Docusign, Cobra, Erate \$11,200.00 \$5,607.04 \$11,200.00 399-7 PK Contracted Services \$0.00 \$0.00 399-8 Fundraising Costs \$0.00

\$0.00 \$0.00 399-9 Shared Services Expenses \$0.00 \$0.00

50.06% \$0.00 Paylocity, esimated at \$850/month

NA \$0.00

NA \$0.00 Consolidated elsewhere

NA \$0.00

PROMISE ACADEMY  
REVENUE AND EXPENSE

Year to Date as  
a % of Current

Board Approved Budget 2023-2024	Year to Date (Through December 31, 2023)
---------------------------------------	---

**Current Forecast**

**Forecast Variance Board Budget Notes/Assumptions** Lavinia contract estimated at \$250K + \$25K general

524 InService/Staff Development \$275,000.00 \$227,742.03 \$275,000.00

82.82% \$0.00

staff development; (Lavinia; ALL Memphis).

**Year to**

535 Fee Waivers & Field Trips \$30,000.00 \$3,164.31 \$30,000.00

**Contracted Services Total \$1,446,180.36 \$822,714.32 \$1,621,537.16 Supplies and Materials**

**date - \$168K Lavinia; \$47.5K ALL Memphis.**

10.55% \$0.00 Field trips - adjusted down from PY budget **50.74% \$175,356.80**

Consolidated with other maintenance (Home Depot,

336 Maintenance & Repair-Equipm \$0.00 \$27,494.45 \$27,494.45 400-1 Aftercare Supplies \$1,000.00 \$528.50 \$1,000.00

100.00% \$27,494.45

other vendors. These costs need to be recoded to 399-5.)

400-2 Health Supplies \$515.00 \$0.00 \$515.00 410 Custodial Supplies \$16,480.00 \$6,485.46 \$16,480.00 411 Data Processing Supplies \$0.00 \$0.00

\$0.00 415 Electricity \$100,724.40 \$27,872.37 \$100,724.40 422 Food Supplies \$13,766.67 \$10,007.21 \$13,766.67 429 Instructional Supplies & Ma

\$35,020.00 \$17,522.84 \$65,301.00

52.85% \$0.00 Aftercare supplies

0.00% \$0.00 Health supplies allocation

39.35% \$0.00 Custodial Supplies - separate from custodial

contract; First Choice Chemicals & Supplies

NA \$0.00

27.67% \$0.00 Electricity, Gas, Water and Sewer - increased based

on trend, average ~\$8K a month

72.69% \$0.00 Food supplies, based on PY trend 26.83% \$30,281.00 Instructional Supplies and Materials for regular

instruction - various vendors, based on PY trend

Instructional Supplies and Materials for SPED -

largest charges Pearson Assessment and Scholastic

books; Various other vendors, based on PY trend

429-2 SPED Supplies \$7,754.00 \$32,291.63 \$38,291.63

84.33% \$30,537.63

**(Year-to-date: Zane Boser, LogMeIn largest expenses.)**

434 Natural Gas \$0.00 \$0.00 \$0.00 435 Office Supplies \$10,213.00 \$15,598.52 \$31,197.04 435-1 Meals \$10,000.00 \$31,956.44 \$34,956.44 435-2

Staff Shirts & Uniforms \$2,060.00 \$6,066.84 \$6,066.84

NA \$0.00 Consolidated into electricity

50.00% \$20,984.04 Office supplies - increased based on PY trend 91.42% \$24,956.44 Staff meals and events - reduced in budget with

planned reduction and costs/programming

100.00% \$4,006.84 Staff apparel; Give Threads

All Memphis \$71,000 - split; Lavinia included above

(PY \$19,500); other needs based on trend;

**Year to**

449 Textbooks \$91,062.50 \$56,601.05 \$91,062.50

62.16% \$0.00

**date includes includes Mackin Resources; TN Book Company.**

Year to Date as  
a % of Current

Board Approved Budget 2023-2024	Year to Date (Through December 31, 2023)
---------------------------------------	---

**Current Forecast**

451 Uniforms \$15,000.00 \$15,567.42 \$15,567.42 454 Water & Sewer \$0.00 \$0.00 \$0.00

**Forecast Variance Board Budget Notes/Assumptions** 100.00% \$567.42 Uniforms and Apparel (French Toast, Dee Trim.)

Additional expenditures for FY24?

NA \$0.00 Consolidated into electricity (acct code 415) Instructional Software, based on PY trends - Powerschool, Instructure, Curriculum Associates,

492 Instructional Software \$55,000.00 \$66,000.03 \$66,000.03

100.00% \$11,000.03

etc. Year-to-date: PowerSchool, Curriculum Associates, GoGuardian, Instructure.

418 Copier \$34,800.00 \$16,709.65 \$34,800.00 499 Other Supplies \$10,858.00 \$930.00 \$13,349.00 499-1 Classroom Technology Suppl \$7,630.00

\$6,992.71 \$7,630.00 499-3 Christmas Bags \$0.00 \$5,166.70 \$5,166.70 499-4 · Holiday Monarch \$5,000.00 \$0.00 \$5,000.00

**Supplies and Materials Total \$416,883.57 \$343,791.82 \$574,369.12**

**Capital Expenses**

722 Regular Instruction Equipme \$0.00 \$0.00 \$0.00 722-2 Furniture & Fixtures \$13,750.00 \$5,531.83 \$13,750.00 722-3 Technology Equipment \$20,000.00 \$4,024.82 \$20,000.00 700 Other Capital Outlay \$103,195.00 \$103,195.00

48.02% \$0.00 Copier lease and utilization ~\$2,900/month; RJ Young

6.97% \$2,491.00 Other supplies, including holiday, various maintenance supplies, etc.

91.65% \$0.00 Classroom tech supplies, based on PY trend.

Amazon, Mosyle, Education Networks.

100.00% \$5,166.70 Consolidated below

0.00% \$0.00 Holiday Monarch supplies and gifts **59.86% \$157,485.55**

NA

40.23% \$0.00 Executive Office furniture - shared with SH on total of \$20K+\$5K hold for other replacement needs

20.12% \$0.00 Fewer tech needs anticipated in 23-24 100.00% \$103,195.00 Windows - covered under competitive facilities

**Capital Expenses Total \$33,750.00 \$112,751.65 \$136,945.00**

**82.33% \$103,195.00**

grant. Dynasty Associates

**Debt Service**

604 · Interest on Notes \$5,000.00 \$23,281.95 \$23,281.95

100.00% \$18,281.95 Estimated allocation for LOC fees as needed.

**Debt Service Total \$5,000.00 \$23,281.95 \$23,281.95**

**100.00%**

\$18,281.95

**Other**

306 Bank Charges \$2,400.00 \$0.00 \$2,400.00 500 Other Charges \$0.00 \$0.00 \$0.00

0.00% \$0.00 Bank and Finance Fees, including QB fees

NA \$0.00



**Year to Date as  
a % of Current**

<b>Board Approved Budget 2023-2024</b>	<b>Year to Date (Through December 31, 2023)</b>	<b>Current Forecast</b>
		\$30,625.00
\$30,625.00	\$13,272.95	\$594.40
\$350.00	\$594.40	\$500.00
\$500.00		\$4,000.00
\$4,000.00	\$137.88	\$4,523.95
	\$0.00	
\$0.00	\$4,523.95	<b>\$42,643.35</b>
	<b>\$18,529.18</b>	
		<b>\$5,266,254.</b>
<b>\$37,875.00</b>	<b>\$2,683,266.54</b>	<b>20</b>
	<b>(\$393,766.69)</b>	<b>(\$182,413.7</b>
<b>\$4,692,877.53</b>		<b>2)</b>
<b>\$56,835.63</b>		

502 Bldg & Content Insurance

533 Background Checks

599 Other Charges

599-1 Staff Appreciation

99999 - Suspense - Uncategorized Exp

Grant Holding

**Forecast Variance Board Budget Notes/Assumptions** 43.34% \$0.00 Building Insurance. Bridgefield Casualty Insurance

Company; Liberty Mutual

100.00% \$244.40 Background checks

27.58% \$0.00 Miscellaneous fees, e.g. Annual Secretary of state 0.00% \$0.00 Teacher and staff appreciation allocation 100.00% \$4,523.95 Fleetwood

Foundation Check for \$2K and Rochester 100 expense of \$884.50.

**Other Total \$4,768.35 43.45%**

**TOTAL EXPENSES NET INCOME**

**50.95% \$573,376.67**

# Appendix Springhill Budget Detail



**PROMISE ACADEMY**  
**23-24 Revenue and Expense**

**Current Forecast**

**ENROLLMENT**  
 56.25%

<b>Board Approved Budget 2023-2024</b>	<b>Year to Date (Through December 31, 2023)</b>
--	---

**Year to Date**  
**as a % of**  
**Current**

**Forecast Variance Board Budget Notes/Assumptions Year to Date Notes**

**ADM**

**ACCOUNT NAME**  
**REVENUE**

**Charges for Current Services**  
**352.80 344**

43570 · Shared Service Revenue \$0.00 \$0.00 44130 · Sales of Materials & Supplies \$0.00 \$0.00 44130-1 · Uniforms & Supplies \$0.00 \$0.00 44130-3 ·  
 Supplies & Materials \$510.00 \$510.00  
 44130-5 · Book Fair income \$0.00 \$0.00 43990-1 · Field Trips \$7,650.00 \$3,171.16 \$7,650.00 44170 · Miscellaneous Refunds \$0.00 \$0.00 Memo - Aftercare  
 \$0.00 \$0.00 Memo - Office Assistant \$0.00 \$0.00  
 NA \$0.00  
 NA \$0.00  
 NA \$0.00  
 0.00% \$0.00 Miscellaneous fees NA \$0.00  
 41.45% \$0.00 Field Trip Income NA \$0.00  
 NA \$0.00  
 NA \$0.00

**Total Charges for Current Services \$8,160.00 \$3,171.16 \$8,160.00 Other Local Revenues**

**38.86%**  
**\$0.00**

44570 · Gifts and Donations-Budgeted - Other \$0.00 \$0.00 44575 · Other Gifts and Donations \$360,000.00 \$88,564.26 \$351,064.26 44575 · Other Gifts and  
 Donations - Other \$0.00 \$0.00  
 NA \$0.00 25.23% -\$8,935.74 NA \$0.00

*Philanthropic Commitments - Estimated at \$1,000 per pupil; Philanthropy based on 350 students.*

44575-13 Charity Fundraisers \$0.00  
 NA \$0.00 Hold for other giving  
 Additional donations for aftercare  
 programming, Lavinia Group work, and  
 other academic efforts;  
 Removed Pickleball and ALL

44575-4 · Local Grant Revenue \$721,532.50 \$169,927.10 \$647,094.83 44575-7 · First 8 Grant/SEL Grant \$128,000.00 \$132,500.00

26.26% -\$74,437.67 0.00% \$4,500.00

**year to date**

**includes funding from Fleetwood. First 8 PK revenue;**

**GT - funding hit**

**Hollywood bank account and 50% needs to be moved to Springhill.**

*Memphis philanthropic support.*

44146 · E-rate Discount \$45,000.00 \$5,254.88 \$45,000.00 44575-5 · Commission Income \$102.00 \$102.00 46515 · VPK Revenue \$176,970.00 \$184,055.00  
 44130-4 · Fundraiser Income \$25,000.00 \$25,000.00 ELC Funding \$0.00 \$0.00 \$0.00

11.68% \$0.00 E-rate, estimated on portion of \$80K for

network  
 0.00% \$0.00 Commission Income  
 0.00% \$7,085.00 VPK reimbursement by Porter Leath  
 0.00% \$0.00 Fundraiser income and any other giving  
 NA \$0.00

21  
**PROMISE ACADEMY**

**23-24 Revenue and Expense**

56.25%

Board Approved Budget 2023-2024	Year to Date (Through December 31, 2023)
---------------------------------	--

**Current Forecast**

**Year to Date**

as a % of

**Current**

**Forecast Variance Board Budget Notes/Assumptions Year to Date Notes**

**Total Other Local Revenues \$1,456,604.50 ~~\$263,746.24~~ \$1,384,816.09 State of Tennessee**

46511 · Basic Education Program/TISA \$4,149,680.94 \$2,050,109.90 \$4,125,601.85 Per Pupil Facilities/Competitive Facilities Grant \$0.00 \$0.00 DHS ARA Subgrant \$0.00 \$0.00 Epidemiology & Laboratory Capacity Grant \$0.00 \$0.00

**Total State of Tennessee \$4,149,680.94 \$2,050,109.90 \$4,125,601.85 Federal Government**

47141 · Title 1 \$292,850.00 \$292,850.00 47306 · ESSER 2.0 CARES Act Funding \$0.00 \$0.00  
**19.05% (\$71,788.41)**

49.69% -\$24,079.09 NA \$0.00 NA \$0.00 NA \$0.00

**49.69% (\$24,079.09)**

0.00% \$0.00 NA \$0.00

TISA from 23-24 on - based on estimates from state, with 3% going to Commission.

TISA funding based on 344 students at \$11,919.24 per student (net of ASD 3% fee).

Title funding, based on projected School-wide pool from the Commission (with 10% cushion)

ESSER 3.0 funding not

47309 · ESSER 3.0 CARES Act Funding \$0.00 \$241,328.96 47590 · Other Federal Through State \$0.00 \$0.00

0.00% \$241,328.96 Assumes no ESSER rollover NA \$0.00

TAG, Curriculum Resources (Math, reimbursed in FY23 was rolled over to FY24.

47590-2 · Turnaround Action Grant(TAG) \$134,711.86 \$137,895.00 47143 · Special Education - IDEA \$60,739.56 \$176,397.30 47145 · Special Ed-Preschool

IDEA \$4,432.17 \$0.00

0.00% \$3,183.14 0.00% \$115,657.74 NA -\$4,432.17

Reading, Science, and other interventional materials)

IDEA, covering student services (OT, speech, etc.) - based on Commission's estimate

IDEA PK, covering student services (OT, speech, etc.) - based on Commission's estimates

47189 · Title II Prof Development \$0.00 ECF FCC \$0.00 **Total Federal Government \$492,733.59 \$0.00 \$848,471.26**

NA \$0.00 Included in School-wide pool above

NA \$0.00

0.00% \$355,737.67

36.39% \$259,870.17

## 22 PROMISE ACADEMY

### 23-24 Revenue and Expense

56.25%

Board Approved Budget 2023-2024	Year to Date (Through December 31, 2023)
---------------------------------	--

#### Personnel

Current Forecast

Year to Date

as a % of

Current

Forecast Variance Board Budget Notes/Assumptions Year to Date Notes

Salaries \$2,927,219.00 \$1,177,730.20 \$2,395,730.20 Stipends and Bonuses \$0.00 Benefits and Taxes \$585,443.80 \$282,234.02 \$585,443.80 \$0.24  
**Total Personnel \$3,512,662.80 \$1,459,964.22 \$2,981,174.24**

#### Contracted Services

389 Student Health Services \$63,000.00 \$20,911.88 \$63,000.00 301 Accounting and Finance Services \$67,500.00 \$30,000.00 \$67,500.00

49.16% -\$531,488.80 Staffing for PASH, inclusive of year over year raises

48.21% \$0.00 Benefits, including TCRS pension, medical, dental, etc.

**48.97% (\$531,488.56)**

33.19% \$0.00 Student Health Services (Well Child) - estimated at \$6,300/month for 10 months.

44.44% \$0.00 Finance and Accounting (GT3 Group) - shared portion.

Advertising Costs (including job posts, GT3 costs being split 50/50 (which is a slightly different % from board budget split).

302 Advertising \$10,000.00 \$2,049.50 \$10,000.00 305 Audit \$28,000.00 \$5,500.00 \$28,000.00

20.50% \$0.00

other marketing efforts), estimated based on PY trend

307 Communication \$20,901.80 \$6,772.61 \$20,901.80 312 Early Childhood Contracted Services \$0.00

19.64% \$0.00 Estimated Audit Fees

32.40% \$0.00 Phone services - AT&T, Call/Textem all. NA \$0.00

Therapy Services - UT Le Bonheur

Pediatric Specialists - estimated at

\$13,729/month; Lakeside Behavioral

316 SPED Contracted Services \$152,299.00 \$101,044.00 \$152,299.00

66.35% \$0.00

Health services estimated at \$5,000

+ Added \$10K for F. Conely LeBonheur; Libertas

320 Dues & Memberships \$5,000.00 \$2,725.14 \$5,000.00 322 Evaluation & Testing \$0.00 \$1,087.00 \$1,087.00

54.50% \$0.00 TSCS, Cognia, and other dues - down without charter application fee

Year to date: Cognia membership

325 Authorizer Fee \$0.00 \$0.00

100.00% \$1,087.00 Evaluation tools NCS Pearson NA \$0.00 Hold for authorizer fees

328 Janitorial Service \$140,000.00 \$95,812.00 ~~\$167,687.00~~ 331 Legal Service \$7,500.00 \$7,500.00

57.14% \$27,687.00 Janitorial Services renewal - \$10,500/month + \$14K annual wax fee

0.00% \$0.00 Allocation for necessary legal services as  
Nicole Lytle, Kent Springfield, First Choice Entertainment.

348 Postal Charges \$0.00 \$37.80 \$37.80 355 Travel \$0.00 \$1,015.85 \$1,015.85  
100.00% \$37.80 100.00% \$1,015.85  
needed

359 Disposal Fees \$6,365.40 \$3,190.33 \$6,365.40 369 Substitute Teachers \$30,000.00 \$45,264.65 \$82,985.19

50.12% \$0.00 Waste disposal based on trend Waste Connections of TN. 54.55% \$52,985.19 Substitutes - reduced with plan to cost  
control Revolving Enrichment.

Enrichment, Yoga, based on PY

370 Contracted Instruction Services \$156,300.00 \$12,500.00 \$156,300.00  
8.00% \$0.00

contracted rate - \$55K/Semester, inflation + \$43K Communities in Schools  
Greenhouse Talent - will be recoded to 399.

## 23

### PROMISE ACADEMY

#### 23-24 Revenue and Expense

56.25%

Board Approved Budget 2023-2024	Year to Date (Through December 31, 2023)
--	---

#### Current Forecast

##### Year to Date

as a % of

##### Current

**Forecast Variance Board Budget Notes/Assumptions Year to Date Notes** Student Transportation (1 Bus at

393 Contracted Transportation \$31,888.50 \$95,313.66 \$95,313.66

33.46% \$0.00

Springhill), \$535.47/day (2 buses at Hollywood)

399 Other Contracted Services \$5,580.00 \$37,235.50

14.99% \$37,235.50 Summer Help costs

399-1 Aftercare Contracted Serv \$165,712.99 \$360,000.00 \$214,500.00

46.03% \$145,500.00

Picklemania - \$23K per year for 3 yrs split 50/50 with Hollywood and Springhill, Boys and Girls Club - \$180,000

Boys & Girls Club, DWCH in year to date costs. Revising to \$360K (~\$180k for Boys and Girls Club; ~\$180K DWCH).

399-2 Pest Control \$2,268.06 \$605.00 \$2,268.06 399-3 Lawn Maintenance \$7,297.33 \$9,427.50 \$9,427.50

26.67% \$0.00 Termite and Pest Control Action Pest Control 100.00% \$2,130.17 Landscaping Monthly fees Robert's Landscaping and  
Design.

Securitas Technologies;

399-4 Security Service \$5,200.00 \$6,822.70 \$8,835.22 399-5 Other Maintenance Services \$20,000.00 \$6,651.81 \$20,000.00

77.22% \$3,635.22 Security Services

33.26% \$0.00 Maintenance based on PY Trend, less

Memphis Shelby County Metro Alarm.

399-6 Payroll, Docusign, Cobra, Erate \$10,800.00 \$5,894.04 \$11,788.08

funded window repair Studco.

50.00% \$988.08 Payroll and other HR services/tools

PK Services - 1 VPK Classroom; 1 First 8

Classroom; 1 SPED Classroom; Total 3

PK Classrooms at SH (VPK, All 3 first 8

399-7 PK Contracted Services \$507,760.00 \$139,872.00 \$507,760.00

27.55% \$0.00

funded) 2 are traditional, 3rd is inclusion

with SPED Porter Leath

399-8 Fundraising Costs

\$0.00 \$0.00

NA \$0.00

399-9 Shared Services Expenses \$0.00 524 InService/Staff Development \$275,000.00 \$182,433.70 \$275,000.00 535 Fee Waivers & Field Trips \$15,295.00

\$1,579.33 \$15,295.00 \$0.00

\$0.00

\$0.00

**Contracted Services Total \$1,840,300.25 \$884,378.33 \$2,112,602.06**

#### Supplies and Materials

336 Maintenance & Repair-Equipm \$60,000.00 \$95,826.87 \$101,826.87 400-1 Aftercare Supplies \$3,666.00 \$0.00 \$3,666.00 400-2 Health Supplies \$0.00

\$0.00 410 Custodial Supplies \$18,135.00 \$5,816.43 \$18,135.00 411 Data Processing Supplies \$264.00 \$264.00 415 Electricity \$127,521.25 \$77,131.90

\$127,521.25 422 Food Supplies \$7,863.46 \$5,672.22 \$7,863.46

NA \$0.00

66.34% \$0.00 Lavinia Group work estimated at \$250,000+\$25k allocation for other PD  
 10.33% \$0.00 Field trips, based on trend NA \$0.00  
 NA \$0.00  
 NA \$0.00  
**41.86% \$272,301.81**

94.11% \$41,826.87 Maintenance of Equipment, based on PY trend  
 0.00% \$0.00 Aftercare supplies  
 NA \$0.00

32.07% \$0.00 Custodial Supplies- trash Bags, paper towels, tissue, soap, etc.  
 0.00% \$0.00 HID Cards

60.49% \$0.00 Utilities and Electricity - inclusive of water and gas  
 72.13% \$0.00 Food supplies (catering, snacks, etc.)  
 Lavinia Group ALL Memphis, Great Minds

Primarily Integrity Mechanical Solutions

First Choice Chemicals & Supplies

**24**  
**PROMISE ACADEMY**  
**23-24 Revenue and Expense**  
 56.25%

Board Approved Budget 2023-2024	Year to Date (Through December 31, 2023)
---------------------------------	--

**Current Forecast**  
**Year to Date**  
**as a % of**  
**Current**

**Forecast Variance Board Budget Notes/Assumptions Year to Date Notes** Primarily expenses from  
 429 Instructional Supplies & Ma \$41,098.53 \$33,617.62 \$41,098.53

429-2 SPED Supplies \$1,001.00 \$1,001.00 434 Natural Gas \$0.00 \$0.00

435 Office Supplies \$3,239.00 \$5,244.04 \$6,144.04 435-1 Meals \$10,000.00 \$8,013.31 \$10,000.00 435-2 Staff Shirts & Uniforms \$2,566.25 \$1,937.03 \$2,566.25

81.80% \$0.00 Various Vendors - instructional and classroom supplies and materials

0.00% \$0.00 SPED Zoom subscription and staff supplies stipends; Adobe subscription  
 NA \$0.00 Gas services - MLGW

85.35% \$2,905.04 Various Vendors - supplies, fish tank cleaning

80.13% \$0.00 Various Vendors - Staff meals and events - reduced  
 75.48% \$0.00 Staff Shirts and Uniforms  
 Zaner-Bloser Educational Publishers in year to date.

GT - need to increase this line item to account for higher costs.

All Memphis Curriculum; Other Curriculum  
 Year to date includes includes  
 and Textbooks -  
 449 Textbooks \$134,711.86 \$82,749.22 \$134,711.86  
 61.43% \$0.00

**some of this line item  
 funded through TAG Grant.**

Mackin Resources; TN Book Company.

451 Uniforms \$2,000.00 \$2,000.00 454 Water & Sewer \$0.00 \$0.00 492 Instructional Software \$40,000.00 \$39,054.99 \$40,000.00 418 Copier \$28,800.00  
 \$12,954.52 \$28,800.00

0.00% \$0.00 Uniforms  
 NA \$0.00 MLGW Water and Sewer

97.64% \$0.00 Instructional Software - UChicago Impact,  
 Instructure, Curriculum Associates, etc.

44.98% \$0.00 Printer services - estimated at  
 Curriculum Associates; Instructure.

499 Other Supplies \$11,994.00 \$11,994.00

499-1 Classroom Technology Suppl \$13,193.00 \$13,193.00 499-3 Christmas Bags \$0.00 499-4 · Holiday Monarch \$6,000.00 \$6,000.00

**Supplies and Materials Total \$512,053.34 \$368,018.15 \$556,785.25**

**Capital Expenses**

Building/Facilities Improvements  
 \$2.4K/Month based on trends RJ Young

0.00% \$0.00 Office supplies, based on PY trend GT - Could probably zero out. 0.00% \$0.00 Allocation for smaller classroom  
 technology needs, based on PY trends GT - Could probably zero out.

NA \$0.00  
 0.00% \$0.00 Holiday materials GT - Could probably zero out. **66.10% \$44,731.91**

NA \$0.00  
 Held allocation for furniture/replacement -

722-2 Furniture & Fixtures \$21,250.00 \$21,250.00  
 0.00% \$0.00  
 \$10K + Portion of furniture for Network office \$20K

722-3 Technology Equipment \$20,000.00 \$20,000.00  
 0.00% \$0.00 Allocation for Tech needs (e.g. computers,  
 projectors, etc.) - reduced needs from PY

PY ELC Grant, assumed not recurring in  
 Other Capital Expenditures \$0.00 \$0.00 **Capital Expenses Total \$41,250.00 \$0.00 \$41,250.00**  
 NA \$0.00 **0.00% \$0.00**

23-24

**Debt Service**

604 · Interest on Notes \$7,500.00 \$7,500.00 \$0.00  
 0.00% \$0.00 Estimated allocation for LOC fees  
 NA \$0.00

**25  
 PROMISE ACADEMY**

**23-24 Revenue and Expense**

56.25%

Board Approved Budget 2023-2024	Year to Date (Through December 31, 2023)	Current Forecast \$7,500.00
		\$2,477.00
		\$13,000.00
		\$39,375.00
		\$250.00
		\$40.00
		\$4,000.00
		-\$20.14



\$7,500.00	\$0.00	\$0.00 \$59,121.86
\$2,477.00		\$5,758,433.
	\$13,000.00	41
\$39,375.00	\$12,358.28	\$608,615.7
		9
\$250.00	\$74.30	
\$40.00	\$0.00	
\$4,000.00	(\$20.14)	
\$0.00		
\$0.00	\$25,412.44	
\$46,142.00	\$2,737,773.14	
\$5,959,908.39	(\$420,745.84)	
\$147,270.64		

**Debt Service Total**

**Other**

306 Bank Charges

500 Other Charges

502 Bldg & Content Insurance

**Year to Date**

**as a % of**

**Current**

**Forecast Variance Board Budget Notes/Assumptions Year to Date Notes 0.00% \$0.00**

0.00% \$0.00 Banking and AP system fees and charges

100.00% \$13,000.00 TFA Will be recoded to Contracted Instructional Services

31.39% \$0.00 Insurance - estimated at portion of \$70,000 Travelers, Liberty Mutual.

Employee background checks - L-1

533 Background Checks  
29.72% \$0.00 0.00% \$0.00

Enrollment

Tennessee Secretary of State - Annual filing fee

599 Other Charges 599-1 Staff Appreciation Other Costs

Grant Holding

**Other Total**

**TOTAL EXPENSES NET INCOME**

0.00% \$0.00 Staff appreciation (E.g. food, supplies)

NA -\$20.14 Other Expenses

NA \$0.00

**42.98% \$12,979.86**

**47.54% (\$201,474.98)**

26



January 28, 2023

Dear Promise Academy Spring Hill,

**Congratulations!** On January 27, 2023, the Tennessee Public Charter School Commission (“Commission”) voted to approve your application for authorization. Pursuant to T.C.A. § 49-1-614(k)(2)(B), the Commission will become the authorizer and LEA of Promise Academy Spring Hill.

Let me be the first to welcome LEAD Neely’s Bend to the portfolio of the Commission. We are thrilled to have you on board and ready to aid you with the transition. The Commission is guided by three (3) core authorizing principles: maintaining high standards for charter schools, upholding charter school autonomy, and protecting student public interests. For a detailed breakdown of what these three standards entail, click here [Core Authorizing Principles](#).

This first step as a school authorized by the Commission is having a signed agreement entered. Attached you will find a template of the Commission’s charter agreement. Charter agreement negotiations will begin here. Please review and edit the Microsoft Word version of the charter agreement, and we will discuss the proposed terms to come to a mutual agreement. You will note that there are several exhibits named in the charter agreement. For our negotiation purposes, it is necessary that this documentation is a part of the agreement, most notably the list of waivers. The list of approved waivers will be a living document and can be revisited after the agreements are entered. Commission staff has reviewed your list of requested waivers included with your applications and will indicate our recommended approval and/or denial. We will also make sure to include other common waivers that you may not have considered. The Commission staff plans to present new charter agreements for approval at the Commission’s quarterly meeting in March 24, 2023.

From there I want to provide you with some information regarding your first year under the Commission’s authority. We wanted to ensure that you are aware of the charter agreement and the four (4) exhibits, which are: amended charter application narrative, charter school performance framework, transition checklist, and waivers. Specifically, the Commission staff will work with charters to complete the transition checklist, but it is the ultimate responsibility of the charter school to ensure that all steps have been completed.

As an overview, the items requiring action and/or completion as a part of the pre-opening process are:

- Governance and Management
- Finance
- Personnel/Staffing
- Serving Special Populations
- School Operations
- Student Data
- Facilities

Tennessee Public Charter School Commission  
Davy Crockett, 5<sup>th</sup> floor • 500 James Robertson Parkway • Nashville, TN  
37243 Office: (o) 615-532-6245, (c) 615-289-5367



- Final Transition Walkthrough Checklist

I have attached the full transition for your reference and review. Maggie Lund is your point of contact regarding documentation and submission of all items within the transition checklist. Schools are required to submit all documentation to the collaborative Microsoft TEAMS folder by the date requested within the checklist. Your transition check-list kick-off call has been scheduled for **Friday, February 3, 2023**. Monthly checkpoints will occur during this process, but as questions arise, please contact Maggie Lund at [Maggie.lund@tn.gov](mailto:Maggie.lund@tn.gov). If there are any further questions relating to the execution of the charter agreement, feel free to contact me at [Ashley.Thomas2@tn.gov](mailto:Ashley.Thomas2@tn.gov).

Sincerely,

Ashley N. Thomas, esq.  
General Counsel



January 26, 2024



Dr. Patrick  
Washington,  
Executive Director  
Promise Academy,  
Inc.  
1346 Bryan Streeg  
Memphis, TN  
38108

Dear Dr.  
Washington:

We  
are pleased to confirm our understanding of the services we are to provide for Promise Academy, Inc.  
(the Organization) for the year ended June 30, 2023.

## Audit Scope and Objectives

We  
will



audit the financial statements of the governmental activities and the major fund, including the related notes and disclosures to the financial statements of the Organization, which collectively comprise the basic financial statements of Promise Academy, Inc. as of and for the year ended June 30, 2023. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Organization's 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. As part of our engagement, we will apply certain limited procedures to the Organization's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Proportionate Share of the Net Pension Liability (Asset) – Teacher Legacy Pension Plan of TCRS
- 3) Schedule of Contributions – Teacher Legacy Pension Plan of TCRS
- 4) Schedule of Proportionate Share of the Net Pension Liability (Asset) Based on Participation in the Public Employee Pension Plan of TCRS – Non-Teacher
- 5) Schedule of Contributions Based Upon Participation in the Public Employee Pension Plan of TCRS – Non-Teacher
- 6) Schedule of Proportionate Share of the Net Pension Liability (Asset) – Teacher Retirement Plan of TCRS
- 7) Schedule of Contributions – Teacher Retirement Plan of TCRS

We have also been engaged to report on supplementary information other than RSI that accompanies the Organization's financial statements. We will subject the following supplementary information, as applicable, to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements:

- 1) Schedule of Changes in Long-Term Debt by Individual Issue
- 2) Schedule of Changes in Lease Obligations
- 3) Schedule of Expenditures of Federal Awards and State Financial Assistance
- 4) Schedule of Findings and Responses

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

### **Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit**

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will

plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk of material misstatement as part of our audit planning: According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

### **Audit Procedures-Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting

3

from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal

award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

### **Audit Procedures-Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Promise Academy, Inc.'s compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Promise Academy, Inc.'s major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that these procedures will be to express an opinion on Promise Academy, Inc.'s compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

### **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of Promise Academy, Inc. in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you, and preparation of the Form 990. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and the Form 990, and any other nonaudit services

4

we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Responsibilities of Management for the Financial Statements and Single Audit**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also



responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, granters, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and

5

appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GMP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GMP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

#### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

6

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to you, however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of The Marston Group, PLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Tennessee Comptroller of the Treasury or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of The Marston Group, PLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Garner Williams is the engagement partner and is responsible for supervising the engagement and

signing the reports or authorizing another individual to sign them.

Professional fees for our audit of the financial statements as of June 30, 2023 will be \$16,000. These fees include routine advisory services in regard to accounting matters that may arise periodically and include preparation of the Federal IRS Form 990 (Return of Organization from Income Taxes). Should a Single Audit over compliance in accordance with the OMB Compliance Supplement be required, we anticipate additional professional fees of \$3,500 to \$5,000.

The fee estimates are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. We reserve the right to defer rendering further services until payment is received on past due invoices. In the event that our work is suspended or terminated as a result of non-payment, you agree that we will not be responsible for your failure or the Company's failure to meet government and any other filing deadlines, or for penalties and/or interest that may be assessed against you or the Company resulting from your failure to meet said deadlines. Invoices not paid within thirty (30) days of the statement of account date may be assessed a monthly finance charge of 1.5% of the balance shown due. In the event that legal action is required to effect collection of any amount due us, you agree that the Company will pay the finance charge on the amount due at the rate of 1.5% per month from the date any such amount became due and payable, together with reasonable attorney fees incurred in collecting the amount due. Our fees are not contingent upon results obtained with respect to any matters in this engagement. We do not warrant or predict results or the final outcome of tax or attest matters. If you disagree with or question an amount we have invoiced, you shall communicate such disagreement or question to us in writing within thirty (30) days of the invoice date. Any claim not made within that time period shall be deemed waived. If you have questions about our billing procedures, please contact us.

7

## **Reporting**

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Directors of Promise Academy, Inc. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

## **Other Terms**

Should any information become known or circumstances occur that, in our judgment, would make our continued involvement in this engagement inappropriate, we reserve the right to withdraw from this engagement. If our withdrawal in this matter becomes necessary, you will be notified in writing when we become aware of that situation, and you agree that you will pay us in full for any outstanding balance that exists at the time of our withdrawal from this engagement.

*Employment* In the event you desire to employ a current employee of The Marston Group, PLC or a previous employee of The Marston Group, PLC whose termination date is within 6 months of the dates services were provided to you, you agree to consult with us concerning such employment, as that employment may impair our independence. In addition, if you employ such employee, you agree The Marston Group, PLC has the option to receive a reasonable placement fee from you, in an

amount determined by us, not exceeding 25% of the employee's annual compensation at the time of termination.

*Liability* You agree that The Marston Group, PLC and its members, partners, employees and agents shall not be liable to you for any claims, liabilities or expenses relating to this engagement for an aggregate amount in excess of the fees paid by you to The Marston Group, PLC pursuant to this engagement, except to the extent finally judicially determined to have resulted from the gross negligence or intentional misconduct of The Marston Group, PLC or its members, partners, employees or agents. In no event shall The Marston Group, PLC or its members, partners, employees or agents be liable for any special, indirect, incidental, punitive, or exemplary losses or damages relating to this engagement. This limitation of liability provision shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise.

*Limitation on Actions* No action, regardless of form, relating to this engagement, may be brought by either party more than one year after the cause of action accrued, except that an action for nonpayment may be brought by a party not later than one year following the date of the last payment due to the party bringing such action.

*Dispute Resolution Procedure* If any dispute, controversy, or claim arises in connection with the performance or breach of this agreement/engagement, either party may, upon written notice to the

8

other party, request facilitated negotiations. Such negotiations shall be assisted by a neutral facilitator acceptable to both parties and shall require the best efforts of the parties to discuss with each other in good faith their respective positions, and respecting their different interests, to finally resolve such dispute. Each party may disclose any facts to the other party or to the facilitator, which it, in good faith, considers necessary to resolve the dispute. Except as agreed by both parties, the facilitator shall keep strictly confidential all information disclosed during negotiations. The facilitator shall not act as a witness for either party in any subsequent arbitration between the parties. Such facilitated negotiations shall conclude within sixty days from receipt of the written notice unless extended by mutual consent. The costs incurred by each party in such negotiations shall be borne by it; the fees and expenses of the facilitator, if any, shall be borne equally by the parties. If any dispute, controversy, or claim arises in connection with the performance or breach of this agreement/engagement and cannot be resolved by facilitated negotiations (or the parties agree to waive that process), then such dispute, controversy, or claim shall be settled by arbitration. The arbitration proceeding shall take place in Memphis, Tennessee. The proceeding shall be governed by the provisions of the Federal Arbitration Act ("FAA"), or, if a court of competent jurisdiction determines the FAA inapplicable, by the laws of the state in which the proceeding is to take place. In any arbitration instituted hereunder, the proceedings shall proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the American Arbitration Association, except that no pre-hearing discovery shall be permitted unless specifically authorized by the arbitration panel. Such arbitration shall be conducted before a panel of three persons, one chosen by each party and the third selected by the two party-selected arbitrators. The arbitration panel shall have no authority to award non-monetary or equitable relief, and any monetary award shall not include punitive damages. The confidentiality provisions applicable to facilitated negotiations shall also apply to arbitration. The award issued by the arbitration panel may be confirmed in a judgment by any federal or state court of competent jurisdiction.

*Electronic Communications* In the interest of facilitating our services to you, we may communicate with you by fax transmission or send you electronic mail (email) over the Internet. Such communications may include information that is confidential to you. Our firm employs measures in the use of computer technology designed to maintain data security. We use our best efforts to keep such communications as secure as possible in accordance with our obligations under applicable laws and professional standards; however, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent, and you consent to our use of these electronic devices during this engagement. We specifically disclaim and waive any liability or responsibility whatsoever for unauthorized use or failed delivery of emails transmitted by us in connection with this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

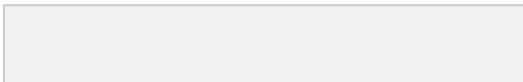
All advice and other services we provide pursuant to this engagement are solely for you and are not for the benefit of anyone other than you.

Except as expressly provided herein, this engagement letter does not modify the terms or provisions of any engagement letter for other professional services that were agreed to prior to the date noted below. If any portion of this letter is held to be void, invalid, or otherwise unenforceable, in whole or in part, the remaining portions of this letter shall remain in effect.

If the arrangements described in this letter are acceptable to you and the services outlined are in accordance with your requirements, please sign and return a copy of this letter to our office so that we may begin our work on this engagement. You may also fax the signed letter to (901) 683-7901. Please note that under our professional standards, we cannot complete the work for this engagement until we have received a signed copy of the engagement letter.

We sincerely appreciate the opportunity to serve you and we value you as a client. We trust that our client service relationship will be a long and mutually beneficial one. Please contact us at (901) 761-3003 if you have any questions regarding this engagement, the engagement letter, or any other matter.

Very truly yours,



Garner G. Williams, CPA

RESPONSE:

This letter correctly sets forth the understanding of Promise Academy, Inc..

---

Signature (Dr. Patrick Washington, Executive Director)

---

Date



10

January 26, 2024



Dr. Patrick  
Washington,  
Executive Director  
Promise Academy,  
Inc.  
1346 Bryan Streeg  
Memphis, TN  
38108

Dear Dr.  
Washington:

We  
are pleased to confirm our understanding of the services we are to provide for Promise Academy, Inc.  
(the Organization) for the year ended June 30, 2023.

**Audit Scope and Objectives**



audit the financial statements of the governmental activities and the major fund, including the related notes and disclosures to the financial statements of the Organization, which collectively comprise the basic financial statements of Promise Academy, Inc. as of and for the year ended June 30, 2023. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Organization's 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. As part of our engagement, we will apply certain limited procedures to the Organization's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Proportionate Share of the Net Pension Liability (Asset) – Teacher Legacy Pension Plan of TCRS
- 3) Schedule of Contributions – Teacher Legacy Pension Plan of TCRS
- 4) Schedule of Proportionate Share of the Net Pension Liability (Asset) Based on Participation in the Public Employee Pension Plan of TCRS – Non-Teacher
- 5) Schedule of Contributions Based Upon Participation in the Public Employee Pension Plan of TCRS – Non-Teacher
- 6) Schedule of Proportionate Share of the Net Pension Liability (Asset) – Teacher Retirement Plan of TCRS
- 7) Schedule of Contributions – Teacher Retirement Plan of TCRS

We have also been engaged to report on supplementary information other than RSI that accompanies the Organization's financial statements. We will subject the following supplementary information, as

applicable, to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements:

- 1) Schedule of Changes in Long-Term Debt by Individual Issue
- 2) Schedule of Changes in Lease Obligations
- 3) Schedule of Expenditures of Federal Awards and State Financial Assistance
- 4) Schedule of Findings and Responses

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

### **Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit**

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will

2

plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an



unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk of material misstatement as part of our audit planning: According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

### **Audit Procedures-Internal Control**

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting

3

from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

### **Audit Procedures-Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Promise Academy, Inc.'s compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Promise Academy, Inc.'s major programs. For federal programs that are included in the Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that these procedures will be to express an opinion on Promise Academy, Inc.'s compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

### **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of Promise Academy, Inc. in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you, and preparation of the Form 990. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statements, schedule of expenditures of federal awards, and related notes, and the Form 990, and any other nonaudit services

4

we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Responsibilities of Management for the Financial Statements and Single Audit**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial

statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America and for compliance with applicable laws and regulations (including federal statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, granters, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. You are also responsible for taking timely and

5

appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains, and indicates that we have reported on, the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP).

You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GMP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GMP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

6

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to you, however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of The Marston Group, PLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Tennessee Comptroller of the Treasury or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of The Marston Group, PLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Garner Williams is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Professional fees for our audit of the financial statements as of June 30, 2023 will be \$16,000. These

fees include routine advisory services in regard to accounting matters that may arise periodically and include preparation of the Federal IRS Form 990 (Return of Organization from Income Taxes). Should a Single Audit over compliance in accordance with the OMB Compliance Supplement be required, we anticipate additional professional fees of \$3,500 to \$5,000.

The fee estimates are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. We reserve the right to defer rendering further services until payment is received on past due invoices. In the event that our work is suspended or terminated as a result of non-payment, you agree that we will not be responsible for your failure or the Company's failure to meet government and any other filing deadlines, or for penalties and/or interest that may be assessed against you or the Company resulting from your failure to meet said deadlines. Invoices not paid within thirty (30) days of the statement of account date may be assessed a monthly finance charge of 1.5% of the balance shown due. In the event that legal action is required to effect collection of any amount due us, you agree that the Company will pay the finance charge on the amount due at the rate of 1.5% per month from the date any such amount became due and payable, together with reasonable attorney fees incurred in collecting the amount due. Our fees are not contingent upon results obtained with respect to any matters in this engagement. We do not warrant or predict results or the final outcome of tax or attest matters. If you disagree with or question an amount we have invoiced, you shall communicate such disagreement or question to us in writing within thirty (30) days of the invoice date. Any claim not made within that time period shall be deemed waived. If you have questions about our billing procedures, please contact us.

7

## **Reporting**

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Directors of Promise Academy, Inc. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

## **Other Terms**

Should any information become known or circumstances occur that, in our judgment, would make our continued involvement in this engagement inappropriate, we reserve the right to withdraw from this engagement. If our withdrawal in this matter becomes necessary, you will be notified in writing when we become aware of that situation, and you agree that you will pay us in full for any outstanding balance that exists at the time of our withdrawal from this engagement.

*Employment* In the event you desire to employ a current employee of The Marston Group, PLC or a previous employee of The Marston Group, PLC whose termination date is within 6 months of the dates services were provided to you, you agree to consult with us concerning such employment, as that employment may impair our independence. In addition, if you employ such employee, you agree The Marston Group, PLC has the option to receive a reasonable placement fee from you, in an amount determined by us, not exceeding 25% of the employee's annual compensation at the time of termination.

*Liability* You agree that The Marston Group, PLC and its members, partners, employees and agents shall not be liable to you for any claims, liabilities or expenses relating to this engagement for an aggregate amount in excess of the fees paid by you to The Marston Group, PLC pursuant to this engagement, except to the extent finally judicially determined to have resulted from the gross negligence or intentional misconduct of The Marston Group, PLC or its members, partners, employees or agents. In no event shall The Marston Group, PLC or its members, partners, employees or agents be liable for any special, indirect, incidental, punitive, or exemplary losses or damages relating to this engagement. This limitation of liability provision shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise.

*Limitation on Actions* No action, regardless of form, relating to this engagement, may be brought by either party more than one year after the cause of action accrued, except that an action for nonpayment may be brought by a party not later than one year following the date of the last payment due to the party bringing such action.

*Dispute Resolution Procedure* If any dispute, controversy, or claim arises in connection with the performance or breach of this agreement/engagement, either party may, upon written notice to the

8

other party, request facilitated negotiations. Such negotiations shall be assisted by a neutral facilitator acceptable to both parties and shall require the best efforts of the parties to discuss with each other in good faith their respective positions, and respecting their different interests, to finally resolve such dispute. Each party may disclose any facts to the other party or to the facilitator, which it, in good faith, considers necessary to resolve the dispute. Except as agreed by both parties, the facilitator shall keep strictly confidential all information disclosed during negotiations. The facilitator shall not act as a witness for either party in any subsequent arbitration between the parties. Such facilitated negotiations shall conclude within sixty days from receipt of the written notice unless extended by mutual consent. The costs incurred by each party in such negotiations shall be borne by it; the fees and expenses of the facilitator, if any, shall be borne equally by the parties. If any dispute, controversy, or claim arises in connection with the performance or breach of this agreement/engagement and cannot be resolved by facilitated negotiations (or the parties agree to waive that process), then such dispute, controversy, or claim shall be settled by arbitration. The arbitration proceeding shall take place in Memphis, Tennessee. The proceeding shall be governed by the provisions of the Federal Arbitration Act ("FAA"), or, if a court of competent jurisdiction determines the FAA inapplicable, by the laws of the state in which the proceeding is to take place. In any arbitration instituted hereunder, the proceedings shall proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the American Arbitration Association, except that no pre-hearing discovery shall be permitted unless specifically authorized by the arbitration panel. Such arbitration shall be conducted before a panel of three persons, one chosen by each party and the third selected by the two party-selected arbitrators. The arbitration panel shall have no authority to award non-monetary or equitable relief, and any monetary award shall not include punitive damages. The confidentiality provisions applicable to facilitated negotiations shall also apply to arbitration. The award issued by the arbitration panel may be confirmed in a judgment by any federal or state court of competent jurisdiction.

*Electronic Communications* In the interest of facilitating our services to you, we may communicate with you by fax transmission or send you electronic mail (email) over the Internet. Such communications may include information that is confidential to you. Our firm employs measures in the use of computer technology designed to maintain data security. We use our best efforts to keep such communications as secure as possible in accordance with our obligations under applicable laws and professional standards; however, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent, and you consent to our use of these electronic devices during this engagement. We specifically disclaim and waive any liability or responsibility whatsoever for unauthorized use or failed delivery of emails transmitted by us in connection with this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

All advice and other services we provide pursuant to this engagement are solely for you and are not for the benefit of anyone other than you.

Except as expressly provided herein, this engagement letter does not modify the terms or provisions of any engagement letter for other professional services that were agreed prior to the date noted

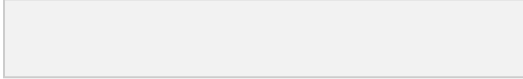
below. If any portion of this letter is held to be void, invalid, or otherwise unenforceable, in whole or in part, the remaining portions of this letter shall remain in effect.

If the arrangements described in this letter are acceptable to you and the services outlined are in accordance with your requirements, please sign and return a copy of this letter to our office so that we may begin our work on this engagement. You may also fax the signed letter to (901) 683-7901. Please note that under our professional standards, we cannot complete the work for this engagement until we have received a signed copy of the engagement letter.

We sincerely appreciate the opportunity to serve you and we value you as a client. We trust that our client service relationship will be a long and mutually beneficial one. Please contact us at (901) 761-3003 if you have any questions regarding this engagement, the engagement letter, or any other matter.

9

Very truly yours,

A rectangular box with a light gray background, used to redact the signature of Garner G. Williams, CPA.

Garner G. Williams, CPA

RESPONSE:

This letter correctly sets forth the understanding of Promise Academy, Inc..

---

Signature (Dr. Patrick Washington, Executive Director)

---

Date

- Welcome
- Team Introductions and Check-In
  - Name, role, and background
  - What's the first word or phrase comes to mind when you think of Promise Academy?
- About Promise Academy
  - What separates you from all other similar organizations?
  - What are the organization's biggest opportunities?
- Overview of the Scope of Work - [Full Proposal](#)
  - Program Impact Toolkit
    - Academic
    - Operations
  - Ongoing Communications Support - 30 service hours monthly ■ Focus Area: Student recruitment, promotion, and brand awareness ● [PS Menu of services](#)
- Collaboration Process
  - [PS Standard Services and Procedures](#)
  - Approval Process
  - Meeting Cadence
    - Weekly, biweekly, team meetings?



- Google Drive Access
- Conclusion and Next Steps
  - Promise Academy Point of Contact:
  - PS Account Manager: Natalia Powers



## 2023-2024 School Year

### TIMELINE ADDITIONAL LEA CONSIDERATIONS

#### December 4 - February 9\*

Complete Winter

---

All districts/schools provide notification for a student for retention.

- These notifications to the At-Risk required for significant retention
- Recommend Summer Program planning in spring prioritizing communication with families)

families)

---

3<sup>rd</sup> Grade Spring Screener Assess

---

2023-24 Spring T

---

Summer Camp P

---

3<sup>rd</sup> Grade ELA TC Proficiency Determination

3<sup>rd</sup> Grade ELA TCAP Retake

---

3<sup>rd</sup> Grade Appeals Window

\*This date was extended from February 2 to February 9 due to inclement weather.

#### February 1 Launch of District Summer Programming Prioritized Registration

Recommend Additional Literacy Acceleration for At-Risk Students:

- High-dosage, low-ratio tutoring
- Literacy grants to families for after school tutoring
- Partnerships with after-school providers to support literacy
- RTI<sup>2</sup> programming adjustments

**April 10 - May 14** The state-provided Spring Universal Reading Screener will be the only screener considered for the [3<sup>rd</sup> grade promotion pathway](#).

**April 15 - April 22**

**May 13**

**May 20** This information may be used to identify students who did not reach the proficiency score. Districts should begin communicating and planning with families.

**May 22 – May 31** Retake results are returned within two business days from administration.

**May 28 – June 28** Per State Board of Education rules, an appeal can be submitted by a parent, legal guardian, or school personnel authorized to file an appeal on behalf of the parent or legal guardian to the Department. All appeals must be submitted within the appeals window and through the appropriate form.

## 2023-2024 School Year

*continued*

### TIMELINE ADDITIONAL LEA CONSIDERATIONS

Reporting of All 3 <sup>rd</sup> Grade ELA TCAP Retake Scores Completed
Summer Camp Post-test Window Opens
Final 3 <sup>rd</sup> Grade Retention Notification (For Students Not Participating in Promotion Pathways)
4 <sup>th</sup> Grade Adequate Growth Data Released to Districts
Final retention notification deadline for families who participated in summer programming.
Post-test for summer programming closes (all tests must be complete by 5 p.m.)

**June 3** Regardless of the district's selected dates for retake administration, all districts will receive results of the TCAP retake within two business days.

**June 10** Summer Camp adequate growth calculations will be returned within five business days of the administration of the post-test.

**June – July** Notifications to families must be communicated at least 30 calendar days before the first instructional day of the next school year for students not participating in intervention pathways.

**By July 1** The department plans to release adequate growth data by July 1 or sooner if available.

**July 12** This date applies for schools starting July 22. If schools start later, notifications to families must be provided at least 10 days before the first day of school.

July 26

*\*\*A bill has been presented to the Tennessee General Assembly that proposes to eliminate the requirement for a pre-test. As with any piece of legislation that affects or alters implementation, the department will update and communicate its guidance accordingly.*

Please find 2024 summer programming flexibilities to support district planning and implementation [here](#).

*We will set all students on a path to success.*

@TennesseeEducation @TNedu

Andrew Johnson Tower, 9th floor 710  
James Robertson Parkway  
Nashville, TN 37243

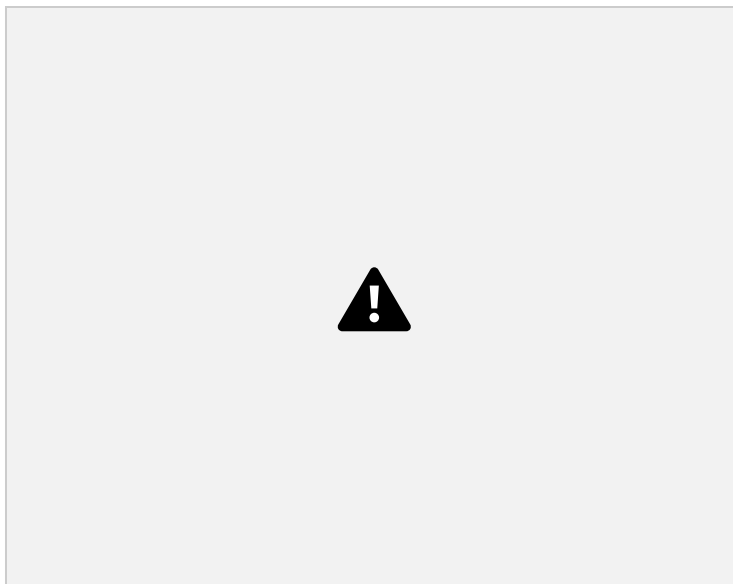
@tndeptofedu

[tn.gov/education](https://tn.gov/education)

2

2

**#TNBestforAll**



4<sup>th</sup>

Grade

Adequate

Growth

# Proposed Pathways

(updates on 2/5/24 – but not approved)





## Promise Academy Tutoring

Promise Academy will offer after-school tutoring for our 3rd-5th grade scholars to assist with meeting our instructional goals for the 23-24 SY.

The PACS Tutoring Program aims to close the learning gap by providing targeted whole and small-group math instruction for our scholars in grades 3-5 who scored between the 50th and 35th percentiles on iReady. The desired outcomes are to:

- Develop foundational skills that are hindering scholars from mastering grade level concepts
- Increase student proficiency on the 2024 TCAP Assessment in Reading & Math
- Meet the network academic goals of increasing the percent of mastery and on-track proficiency on the 2024 Spring TCAP Assessment

### Our Matrix to Determine Effectiveness

- 80% Mastery on Daily Exit Tickets
- 70% Mastery on Summative Interim Assessment (March 2024)
- Post Assessment: Mastery Connect Assessment-proficiency based on grade level cut scores and school based AMOs

Tutors will use the following curriculum and resources during the program

- Mastery Connect
- TCAP Success Coach
- iReady Curriculum Resources

### Logistics

**Duration: 11 weeks**- 1 Planning week + 10 Instructional Weeks(not including Spring Break) 3 days a week/ 30 sessions / 40.5 hours / Monday-Wednesday 3:30-4:45-includes 15 minutes for planning at the end of each day.

**Staff Planning:** Monday, January 22, 2024- Wednesday, January 24, 2024

**Start Date:** Monday, January 29, 2024 **End Date:** April 10, 2024- 30 sessions

**Pay:** Coordinator-\$60/hr = \$ 2,430 Total

Tutors -\$50/hr = \$2,025 Total

(Total for 11 weeks)



3 days- Mon-Wed from 3:30-4:45(+15 minutes of planning for staff at the end) 8 teachers + 1 Coordinator (2 teachers each grade, 1 Reading, 1 Math + 2 tutors for 4th grade) = **9 total staff**

Scholars receive Reading and Math tutoring once or twice a week, depending on the week.

**\*\*4th-grade scholars who were not proficient on the 2023 3rd-grade ELA assessment must attend after-school tutoring. They will be placed in small, high impact heterogeneous groups to focus on increasing the probability of making a minimum of 10% adequate growth, as indicated by their post-assessment scores.**

### Block Schedule- Alternating weeks

Odd Weeks(Weeks 1,3,5,7,9) Even Weeks( Weeks 2,4,6,8,10)

Week 1-Pre-Assessment

Week 11- Review & Final Assessment

<b>Odd Weeks</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>
Reading	Group A	Group B	Group A
Math	Group B	Group A	Group B

<b>Even Weeks</b>	<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>
Reading	Group B	Group A	Group B
Math	Group A	Group B	Group A

### Daily Schedule

**3:15- All tutoring students meet in the cafeteria.**

**3:15-3:30-** The coordinator monitors students as they go to the restroom and transition to tutoring. Tutors transition to their tutoring area and prepare for student arrival.

**3:30-4:15 Whole Group Instruction**

**4:15-4:25 Exit Ticket**

**4:25-4:30 Wrap Up & Pack Up**

**4:30 -**





Tutors transition students to the pick-up area. Scholars get snacks as they leave

**4:30-4:45- Tutors enter Exit ticket data into tracker**

**BONUS Options**

Each after-school tutoring staff member is eligible to earn an additional performance bonus at the conclusion of tutoring. To qualify, you must meet all parts of the requirements for the tiered payout.

**TIER I-Tutors-\$1,000**

→ The listed percentage of scholars must meet designated proficiency on the post-assessment for the subject and grade level taught.

**\*\*These proficiency percentages are based on each school's state AMO**

ELA	3rd	4th	5th
Spring Hill	23% @ 65%	23% @ 65%	23% @ 65%
Hollywood	18% @ 65%	18% @ 65%	18% @ 65%

Math	3rd	4th	5th
Spring Hill	24% @ 70%	24% @ 60%	24% @ 60%
Hollywood	27% @ 70%	27% @ 60%	27% @ 60%

**TIER II-Tutors-\$1,500**

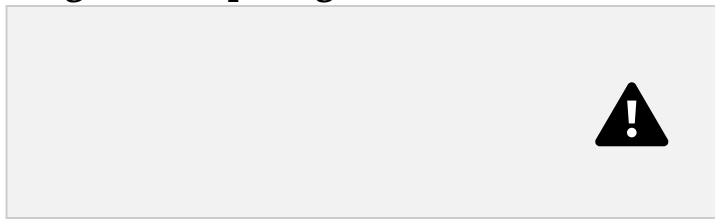
→ The listed percentage of scholars must meet designated proficiency on the post-assessment for the subject and grade level taught.

**\*\*These proficiency percentages are based on each school's state double AMO**

ELA	3rd	4th	5th
Spring Hill	28% @ 65%	28% @ 65%	28% @ 65%
Hollywood	23% @ 65%	23% @ 65%	23% @ 65%

Math	3rd	4th	5th
Spring Hill	29% @ 70%	29% @ 60%	29% @ 60%
Hollywood	32% @ 70%	32% @ 60%	32% @ 60%

**4th grade adequate growth Tutors - \$500**



50% of students make a minimum of 10% adequate growth from pre to post-test during tutoring.

**TIER III - Coordinator - \$1,500**

- All of Tier I requirements **AND**
- School-based **double** AMOs average across the grades.

<b>ELA</b>	3rd-5th
<b>Spring Hill</b>	28%
<b>Hollywood</b>	23%

**TIER I - Coordinator - \$500**

- 90% average student attendance
- 100% of data trackers are updated weekly
- 95% average staff attendance ( Staff can not miss more than 2 days over the 11 weeks)

**TIER II - Coordinator - \$1,000**

- All of Tier I requirements **AND**
- School-based AMOs average across the grades.

<b>ELA</b>	3rd-5
<b>Spring Hill</b>	23%
<b>Hollywood</b>	18%

29%

32%



**2023-2024 Performance & Retention Bonus Schedule**

Category	Assignment	Bonus Goal	Amount
	K-5 Math and ELA Teachers	65%-79% of students who met iReady Typical Growth Goal (per subject, from Fall to Spring Administration)	\$500
		80% and more of students who met iReady Typical Growth Goal (per subject, from Fall to Spring Administration)	\$750
	MCLs, Assistant Principals, & Principals	65%-79% of students who met iReady Typical Growth Goal (per grade, per, subject,	\$500

	<i>**total max \$2,500 from this line item</i>	from Fall to Spring Administration)	
		80% and more of students who met iReady Typical Growth Goal (per grade, per, subject, from Fall to Spring Administration)	\$750
	SPED Teacher ELL Teacher	65%-79% of students who met iReady Typical Growth Goal (per subject, from Fall to Spring Administration)	\$500
		80% and more of students who met iReady Typical Growth Goal (per subject, from Fall to Spring Administration)	\$750



Category	Assignment	Bonus Goal	Amount
<b>TCA P</b>	3 through 5 Tested Teachers	AMO per subject/per grade	\$2000
		Double AMO per subject/per grade	\$3000
		Teacher-TVAAS Level 4	\$1,000
		Teacher-TVAAS Level 5	\$1,500
	All other full time campus staff (ELS, non-tested teachers, secretaries, RTI providers, Dean of Students, School Counselor)	TVAAS Level 4 Composite	\$300
		TVAAS Level 5 Composite	\$600
	MCLs	AMO per subject	\$500
		Double AMO per subject	\$1,000
	Principals & Assistant Principals	Assigned Campus meets AMO per subject	\$1,000
		Assigned Campus meets Double AMO per subject	\$2,000
		TVAAS Level 4 Composite	\$750
		TVAAS Level 5 Composite	\$1000



Category	Assignment	Bonus Goal	Amount
<b>WIDA</b>	ELL Teachers per school	40-49% of caseload meets WIDA Growth Goal	\$500
		50-59% of caseload meets WIDA Growth Goal	\$750
		60% and above of caseload meets WIDA Growth Goal	\$1,000



Category	Assignment	Bonus Goal	Amount
<b>Reward School</b>	All Campus Staff	Campus becomes a reward school	\$250
	MCLs	Campus becomes a reward school	\$500
	Principal & Assistant Principal	Campus becomes a reward school	\$1000



**Retention Spend:**

Promise Academy offers retention spend for eligible employees according to the chart below.

Years	Spend
3	\$300.00
6	\$600.00
9	\$900.00
12	\$1,200.00
15	\$1,500.00
18	\$1,800.00
21	\$2,100.00
24	\$2,400.00
27	\$2,700.00
30	\$3,000.00

Retention spends will be scheduled to be paid on the 2<sup>nd</sup> payroll in Oct. for the 3, 6, 9 etc. year.....Employees who resigned/terminated before October cut off are not eligible.



**Provisions for Performance Bonus Pay**

- The Promise Academy performance bonus will be paid in October for the current school year student performance.
- Employees who work 121 days or more will be eligible for the full bonus amount. • This plan allows eligible individuals on Promise Academy schools’ current staff roster to receive one or more bonuses, as explained above if retained for the next school year. If the bonuses are earned and the Board decides that the financial conditions allow payment of bonuses to eligible employees, payments will be made to eligible employees in one installment at the October payroll. These bonuses are discretionary based upon financial health of Promise Academy and amounts stated above are the maximum amounts that may be paid under this plan. • Please note that employees may earn bonuses via several tangible pieces as identified above with a maximum cap amount per person.
- Bonus earnings are not guaranteed wages and may be amended or eliminated at any time. •

Authorization to pay approved supplemental compensation requires permission from the Executive Director or designee prior to actual work being performed.

- The calculation of bonuses will be made by the Chief of Accountability, and the Executive Director or designee will make the final decision.
- Only 1 stipend will be awarded for per category and assignment.
- The maximum amount per employee cannot exceed \$6,000.