



Department of
Education

Charter Schools



Application for a Public Charter School, Cornerstone Prep School

A K-8 School Opening in the 2021-22
School Year

Table of Contents

APPLICATION INSTRUCTIONS	3
GENERAL INFORMATION FORM	5
ASSURANCES FORM	6
SECTION 1 ACADEMICS	
1.1 Mission, Vision	10
1.2 Enrollment Summary	15
1.3 Academic Focus and Plan	19
1.4 Academic Performance Standards	46
1.5 Phase-In/Turnaround Planning	50
1.6 High School Graduation and Postsecondary Readiness	51
1.7 Assessments	52
1.8 School Calendar and Schedule	57
1.9 Special Populations and At-Risk Students	61
1.10 School Culture and Discipline	70
1.11 Marketing, Recruitment, and Enrollment	81
1.12 Community Involvement and Parent Engagement	86
1.13 Existing Academic Plan	88
1.14 Performance Management	89
SECTION 2 OPERATIONS	
2.1 Governance	91
2.2 Start-Up Plan	96
2.3 Facilities	99
2.4 Personnel/Human Capital	101
2.5 Professional Development	101
2.6 Insurance	114
2.7 Transportation	115
2.8 Food Service	118
2.9 Additional Operations	120
2.10 Waivers	126
2.11 Network Vision, Growth Plan, & Capacity	127
2.12 Network Management	130
2.13 Network Governance	133
2.14 Charter School Management Contracts	135
2.15 Personnel/Human Capital - Network-wide Staffing Projections	136
2.16 Personnel/Human Capital - Staffing Plans, Hiring, Management, and Evaluation	139
SECTION 3 FINANCES	
3.1 Planning and Budget Worksheet	140
3.2 Budget Narrative	142
3.3 Financial Plan (for existing operators required to complete Sections 3.1 and 3.2)	144
3.4 Financial Plan (for existing operators NOT required to complete Sections 3.1 and 3.2)	145
SECTION 4 PORTFOLIO REVIEW/PERFORMANCE RECORD	
4.1 Past Performance	147
ATTACHMENTS	156

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APPLICATION COMPLETION AND SUBMISSION INSTRUCTIONS

Introduction

This application is designed for use by for all new charter schools in Tennessee including new start charter schools, existing Tennessee operators proposing to replicate an exact model (including focus and grade levels) of an existing school, existing Tennessee operators who would like to change their focus and/or grade structure, or existing charter school operators who are not yet established in Tennessee. A **separate** application shall be submitted for each proposed school. **NOTE: The Achievement School District (ASD) has a separate process for chartering schools. Do not use this application if you are applying to the ASD.**

Before starting a charter school application, sponsors should:

- Review all elements of the [Tennessee Public Charter Schools Act](#) (Tennessee Code Annotated Title 49, Chapter 13).
- Review the startup guides, reference guide, timeline, FAQs, and other materials available at <https://www.tn.gov/education/school-options/charter-schools/charter-school-application.html>
- [Contact](#) the LEA which will receive the application to find out any local guidelines for applicants. Several Tennessee LEAs have, as a means of defining what they believe are “the best interests the pupils, school district or community,” (T.C.A. § 49-13-108) outlined specific priorities they ask sponsors to address in applications. Sponsors may choose not to address any of those priorities and, if denied for failing to do so, may appeal to the State Board of Education. However, because Tennessee charter schools “operate within a school district structure,” seeking to align interests early on is likely to increase “accomplishment of the necessary outcomes of education.” (T.C.A. § 49-13-102).

The table below should be used to determine which sections of this application must be completed.

Applicant Type	Description	Required Sections
New-start applicant	Operator with no existing schools	<ul style="list-style-type: none"> • Academic Plan Design and Capacity: 1.1 through 1.12 • Operations Plan and Capacity: 2.1 through 2.10 • Financial Plan and Capacity: 3.1 and 3.2
Existing Tennessee operator proposing new focus/grade Structure OR Existing non-Tennessee operator OR Existing ASD operator to a non-ASD Authorizer	Operator with existing schools in Tennessee proposing to change their focus and/or grade structure OR Operator with existing schools outside of Tennessee OR ASD Operator with existing schools in Tennessee proposing to another non-ASD authorizer	<ul style="list-style-type: none"> • Academic Plan Design and Capacity: 1.1 through 1.14 • Operations Plan and Capacity: 2.1 through 2.16 • Financial Plan and Capacity: 3.1 through 3.3 • Portfolio Review and Performance Record: 4.1
Existing Tennessee operator proposing exact focus/grade structure of an existing school	Operator with existing schools in Tennessee proposing no change in focus or grade structure to a currently operating school	<ul style="list-style-type: none"> • Submit original application • Academic Plan Design and Capacity: 1.2, 1.12, 1.13, and 1.14 • Operations Plan and Capacity: 2.11 through 2.16 • Financial Plan and Capacity: 3.4 • Portfolio Review and Performance Record: 4.1

Existing Operators in Tennessee Applying to Replicate Exact Focus/Grade Structure:

A Tennessee operator requesting replication must:

- Be in compliance with all local, state, and federal laws and their existing charter contract;
- Be in at least year two (2) of operating a school in Tennessee with the exact focus/grade structure of the proposed school; and
- Provide student performance data analysis from state assessments, including but not limited to: TCAP/TN Ready Achievement, EOC, and ACT.
- TVAAS Data

Contents

A completed application shall include the following:

1. General information;
2. Assurances form signed by the authorized agent of the public charter school sponsor;
3. Application narrative that addresses each applicable section;
4. Projected budget; and
5. Applicable attachments.

Format

- The application, excluding attachments and budget worksheets, may not exceed 250 pages. For existing operators in Tennessee applying to replicate exact focus/grade structure, inclusion of the original application does not count towards the 250-page limit.
- Hard copies of the application should be placed in three ring binders, with the front cover and spine labeled with, at minimum, the name of the proposed charter school.
- Each section of the application should be tabbed and clearly labeled according to the table of contents.
- All pages in the application (after the table of contents) should be numbered sequentially (e.g., 1 of 178).
- Applicable attachments should be clearly labeled and referenced as appropriate in the narrative.
- The electronic copy should be an exact version of the hard copy and should be submitted as one PDF document including all attachments and the budget. In addition, one excel version of the budget worksheet should be attached.

Filing

A completed application must be submitted to both the charter authorizer and the Department of Education by the **close of business on February 1**. When amended applications are submitted to an authorizer, one electronic copy must also be submitted to the department. *Note: When the February 1 deadline falls on a Saturday, Sunday, or State observed holiday, the application materials are due the next business day.*

Applicants may be required to submit up to five (5) hard copies, and one electronic copy of the application materials to the authorizer. Authorizers may charge an application fee of up to \$2,500 per school.

Electronic copies may be submitted to the department via email, online file transfer service, CD, USB drive, etc. Please submit applications to the department using the contact information below:

Email: charter.schools@tn.gov

Mail: Office of Charter Schools
Tennessee Department of Education
9th Floor – Andrew Johnson Tower
710 James Robertson Parkway
Nashville, TN 37243-0379

GENERAL INFORMATION

Name of proposed school: Cornerstone Prep School

Projected year of school opening: Fall 2021

Charter authorizer for proposed school: Shelby County Schools

Sponsor/Sponsoring Agency: Capstone Education Group, Inc

The sponsor is a not-for-profit organization with 501(c)(3) status: Yes No In Process

Model or focus of proposed school: College Prep

Name of primary contact person (this person should serve as the contact for follow-up, interviews, and notices regarding this application): Drew Sippel

Mailing address: PO Box 22569 Memphis, TN 38122

Primary Telephone: (901) 416-9569 Alternate phone: (901) 416-3640

Email Address: dsippel@cornerstoneprepmemphis.org

Names, current employment, and roles of all people on school design team (add lines as needed):

Full name	Current job title and employer	Position with proposed school
Andrew Anthony Sippel	CEO, CEG	CEO of the network
Muna Claris Olaniyi	Dir of Academic Achievement, CEG	DAA of the network
Angie Marie Cramer	Chief of Schools, CEG	CSO of the network
Meagan Ashley Tate	Chief of Culture, CEG	CCO of the network
Donna Sue Brigham	Dir of Special Education, CEG	Dir of SPED of the network

Name of proposed school leader (if any): Currently interviewing 3 finalists

Proposed school leader's current employment: All candidates are school leaders in their current schools

City or geographic community: Sherwood/Parkway Village

Does the proposed school intend to contract or partner with a charter management organization (CMO) or not-for-profit education service provider? Yes No

If yes, identify the CMO or other partner organization: _____

Does this applicant have charter school applications under consideration by any other authorizer(s)? Yes No

If yes, complete the table below, adding lines as needed:

- Indicate Applicant Type:
- New-Start Applicant
 - Existing TN Operator Proposing New Focus/Grade OR Existing non-TN operator OR Existing ASD operator
 - Existing Tennessee Operator Proposing Exact Focus/Grade Structure

ASSURANCES

As the authorized representative of the sponsor, I hereby certify that the information submitted in this application for a charter for Cornerstone Prep School is true to the best of my knowledge and belief, realizing that any misrepresentation could result in disqualification from the application process or revocation after award; and if awarded a charter, the school:

1. Will operate as a public, nonsectarian, non-religious public school, with control of instruction vested in the governing body of the school under the general supervision of the chartering authority and in compliance with the charter agreement and the Tennessee Public Charter Schools Act;
2. Will follow all federal, state, and local laws and regulations that pertain to the operation of a public school, unless waived according to T.C.A. § 49-13-111;
3. Will provide special education services for students as provided in Tennessee Code Annotated Title 49, Chapter 10, Part B of the Individuals with Disabilities Education Act; Title II of the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973;
4. Will adhere to all provisions of federal law relating to students who are limited English proficient (LEP), including Title VI of the Civil Rights Act of 1964 and the Equal Educational Opportunities Act of 1974, that are applicable to it;
5. Will follow all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, national origin, religion, ancestry, or need for special education services;
6. Will utilize this application as a contract with the authorizer, if no other agreement is signed, pursuant to Tennessee Attorney General Opinion No. 10-45;
7. Will comply with all provisions of the Tennessee Public Charter Schools Act, including, but not limited to
 - a. employing individuals to teach who hold a license to teach in a public school in Tennessee;
 - b. complying with Open Meetings and Open Records laws (T.C.A. §§ 8-44-101 et seq.; 10- 7-503, 504) (guidance is available from the [Office of Open Records Counsel](#));
 - c. not charging tuition, except for students transferring from another district to the school pursuant to the local board's out-of-district enrollment policy and T.C.A. § 49-6-3003;
 - d. following state financial (budgeting and audit) procedures and reporting requirements according to T.C.A. § 49-13-111, 120, and 127;
 - e. requiring any member of the governing body, employee, officer, or other authorized person who receives funds, has access to funds, or has authority to make expenditures from funds, to give a surety bond in the form prescribed by T.C.A. § 8-19-101; and
8. Will, at all times, maintain all necessary and appropriate insurance coverage.



Signature

Drew Sippel

Printed Name of Authorized Signatory

CEO

Title of Authorized Signatory

Executive Summary

In three pages or less, provide a narrative executive summary about your proposed charter school. The executive summary should provide a concise overview of the following: The proposed plan for the school; The geographic and population considerations of the school environment; The challenges particular to those considerations; and the applicant team's capacity to successfully open and operate a high quality school given the above considerations.

Capstone Education Group (CEG) currently serves more than 1,400 students and hundreds of families in the Binghampton and Frayser communities. CEG began working in these communities 7 years ago as part of The Race to the Top program, a \$4.35 billion United States Department of Education competitive grant created to spur and reward innovation and reforms in state and local district K-12 education. Tennessee earned the right to utilize Race To The Top funds to transform the lowest performing schools in the state and authorized CEG to help execute that plan. CEG humbly accepted the invitation and subsequently began working in three schools formerly on the state's priority list, including the lowest performing school in the state.

Since moving into these school buildings, CEG generated the following outcomes:

- Moved each one of these schools off the Priority List
- Moved the lowest performing school in the state past more than 150 schools in TN Ready achievement
- Shown dramatic and consistent growth for 8 years as measured by the NWEA MAP national assessment, with network lifetime growth averages of more than 1.4 years of growth annually across the network in math, 1.5 years of growth annually in language, 1.3 years of growth in reading and 1.4 years of growth annually in science
- Consistently earned TVAAS 5 scores and increased TN Ready scores on all campuses
- Outperformed every other organization operating in the Achievement School District (ASD)

These three successful charter schools, Cornerstone Prep Lester Campus and Lester Prep (serving grades k-8 and located on the same campus,) and Cornerstone Prep Denver Campus, all seek to accomplish the same mission: CEG schools equip all students with the Wisdom and Knowledge necessary to succeed in college and become leaders in their community.

CEG seeks to replicate its current, successful elementary and middle school model into a k-8 school authorized by Shelby County Schools (SCS). The CEG replication strategy will be based on the successful practices of the existing schools (a strategy sometimes labeled "tight" in education circles). Having replicated once already, CEG knows how to leverage resources, systems, staff and strategies to create a high-quality school option for parents and students.

CEG drives academic success through its culture, academic model and teacher development process. Each of these characteristics will be embedded into the new school. In addition, CEG will also transfer several teachers from the existing schools to the new school. This transition provides a solid foundation on which to build and provides key personnel to enhance the process of successfully embedding the fundamental culture into the new school.

Some of the key elements of the CEG culture include:

1. High expectations for all students and all adults
2. Partnerships between parents, students, the school and the community that are vital to the success of students
3. Character development taught, modeled and celebrated by the adults in the building
4. Belief that every child can learn when given access to the right learning environment, passionate and skilled teachers and appropriate resources

The academic model at the new school will reflect the existing CEG academic blueprint. Calendars, schedules, assessments, curriculum maps and lesson plans have all been created and codified to be used at future schools. CEG believes that consistency in these and other areas of the academic model lead to consistent academic achievement of students across a network of schools. This approach also provides significant leverage and synergy for training teachers, comparing academic results of schools and developing future school leaders.

The CEG leaders and governing board will use the same metrics, dashboard and leading indicator data to lead and manage the replicated school. The similar expectations, goals, and metrics will help keep the fundamental features of the network imbedded in the new school.

Finally, CEG will utilize consistent teacher professional development practices for all schools. The current CEG training and development, based primarily on high-performing urban schools' practices and resources, quickly develops teachers into effective educators. The current schedules, processes, rubrics and approaches will be used at the new school, essentially embedding these development practices and important teacher skills into the new school.

CEG believes that the most recent TN Ready results, the SCS 2019 Regional Seats Analysis, the Shelby County Schools Supplemental Information for Charter School Applicants, the SCS Charter School Annual Report and the Fall 2019 Educational Priorities Document/Rubric all indicate a need for a high-performing k-8 school in the Central City East/Southeast corridor, and specifically, the contiguous neighborhoods of Sherwood/Parkway Village.

Here are some quotes and data from the reports noted above supporting the need for a high-quality k-8 college prep school in this area:

- Students in the four largest elementary and middle schools are not growing, as evidenced by the following TVAAS scores: Sherwood ES Level 1, Sherwood MS Level 1, Goodlett ES Level 2 and American Way MS Level 1
- "School performance in the Southeast region could use a boost."
- Central City East needs "2,229 additional seats at schools with a 3.00+ SPS" for k-5 and "2208 additional seats for middle school."
- Southeast needs "4,730 additional seats at schools with a 3.00+ SPS" for k-5 and "2946 additional seats for middle school."
- "No school in the Parkway Village neighborhood scored above 3.0 on the 2016-19 School Performance Scorecard."
- Sherwood Elementary and Sherwood Middle each scored below a 3.0 on their overall SPF
- Sherwood's Elementary and middle school's overall SPF Average rating was "fair"
- Sherwood's average building utilization for elementary schools was 115% for district managed schools
- Parkway Village's Elementary and middle school overall SPF Average rating was "fair"
- Parkway Village Elementary schools have the lowest 2017 Average Overall School Performance Rating and Sherwood has the third lowest rating
- Parkway Village has multiple schools on the 2018 Priority School List
- Parkway Village has the highest percentage of students in schools with A School Performance Scorecard rating below 3.0 in the Southeast region
- Sherwood Middle is a 2019 TSI designated school with a 2016-19 SPS ranking of 1.9

The SCS data overwhelmingly indicates a need for a successful college prep k-8 school in these two contiguous neighborhoods. CEG seeks to continue its track record of successful schools in neighborhood historically plagued with low-performing schools by creating a strong college preparatory school to meet the needs of Memphis families.

Listed below is some of the demographic information on these two bordering neighborhoods from the 2017 American Community Survey:

Sherwood

- 51% of children live in poverty
- Median Income of \$26,634
- 61% renter occupied housing
- 12% with bachelor's degree or higher
- 16% vacant housing units
- 71% Black or African American
- 20% White

Parkway Village

- 59% of children live in poverty

- Median Income of \$27,303
- 71% renter occupied housing
- 7% with bachelor's degree or higher
- 30% vacant housing units
- 73% Black or African American
- 19% Other race

Some specific census tract data indicates pockets of even greater need:

Census Tract 82 - South Sherwood

- 77% of children live in poverty
- 6% with bachelor's degree or higher
- 22% vacant housing units

Census Tract 106.30 - East Parkway Village

- 74% of children live in poverty
- 82% renter occupied housing
- 6% with bachelor's degree or higher
- 32% vacant housing units

Certainly, the work will be difficult and there are many challenges given these academic and demographic considerations. Operators seeking to create better outcomes for students must create new expectations, effective academic, behavioral and whole-child supports and obtain buy-in from scholars, parents and the community. Fortunately, CEG has significant experience in overcoming these challenges, having successfully launched three neighborhood charter schools in two different communities over the last eight years.

In order to properly identify how best to partner with families and the community in launching a new school in Binghampton and Frayser, CEG spent considerable amounts of time during the planning year meeting with neighborhood leaders, organizations, families and members of the community in determining the needs and desires of the community. CEG would implement those same conversations and begin building those relationships after being approved for the start of a new k-8 school.

CEG has a significant track record of academic success as well as parent approval. For example, the last two school years have produced some amazing student achievement and organizational growth and development:

- Cornerstone Prep Denver Campus, our Frayser elementary school, outperformed every other school in the ASD in 2019, earning the highest proficiency rates every recorded by an ASD school in math on the 2019 assessment
- Cornerstone Prep Lester Campus, our Binghampton elementary school, outperformed every other school in the ASD in 2018, earning the highest proficiency rates in both math and science, on the 2018 TN Ready assessment
- Consistent growth exceeding one year of growth at every CEG school every year in math with Lester Prep students growing 1.5 to 1.8 years over a 4-year span and the entire network averaging 1.6 years of growth last year as measured by the NWEA MAP assessment.
- Lester Prep, our Binghampton middle school, was the only ASD school to earn TVAAS 5 in every subject in 2017 and earn TVAAS 5 composite scores again in 2018 and 2019
- Cornerstone Prep Denver Campus earned a TVAAS 5 score for the second year in a row on TN Ready in 2019
- 96% of Cornerstone Prep Lester Campus parents surveyed gave the school an overall grade of A or B on the most recent survey
- Outstanding science results across the network averaging 1.5 years' growth across the network for all 7 years as measured by the NWEA MAP assessment.

In summary, CEG seeks approval to start a k-8 school to serve the families of the Sherwood/Parkway Village corridor. CEG believes that its work over the last eight years, launching three successful schools serving more than 1400 students, provides ample support of the organization's desire and capacity to meet the needs of students and families and humbly requests the opportunity to provide another high quality, college preparatory school to the residents of this great city.

SECTION 1: ACADEMIC PLAN DESIGN AND CAPACITY

1.1 School Mission and Vision

In this section:

- (a) Provide a mission statement for the proposed charter school. Note: the mission statement should indicate in measurable terms what the school intends to do, for whom, and to what degree. A school's mission statement provides the foundation for the entire application.

Capstone Education Group (CEG) is a charter management organization created to serve under-resourced children living in local communities in Memphis. CEG was formed by Memphians to serve Memphians to fulfill the following mission: "Equip all students with the Wisdom and Knowledge necessary to succeed in college and to become leaders in the community." Currently CEG operates three schools located in neighborhoods of high need: Cornerstone Prep Lester Campus (CPL), and Lester Prep Middle School (LP) located in Binghampton and Cornerstone Prep Denver Campus (CPD) located in Frayser. CEG's goal is to launch Cornerstone Prep School (CPS) for the 2021-2022 school year to create a new opportunity for under-resourced parents and students to access a college preparatory school. This fourth school will build on the success and legacy that has been established by the current CEG schools in fulfilling the mission and providing a college preparatory school for the families of Memphis.

- (b) Describe the vision of the proposed school and how it will help achieve the school's mission.

CPS envisions a day when every scholar enrolled in the school is truly on the path to college, equipped with the Wisdom and Knowledge necessary to succeed there, and then beyond that, to return to Memphis and lead in a local community.

CEG schools primarily serve students who enter their school below grade level. To close these academic gaps, CEG requests a commitment from all stakeholders – staff, students, parents and the community. When all stakeholders work together, these achievement gaps can be closed, and students can have access to a variety of college options and life opportunities.

CPS will fulfill the mission through the following goals:

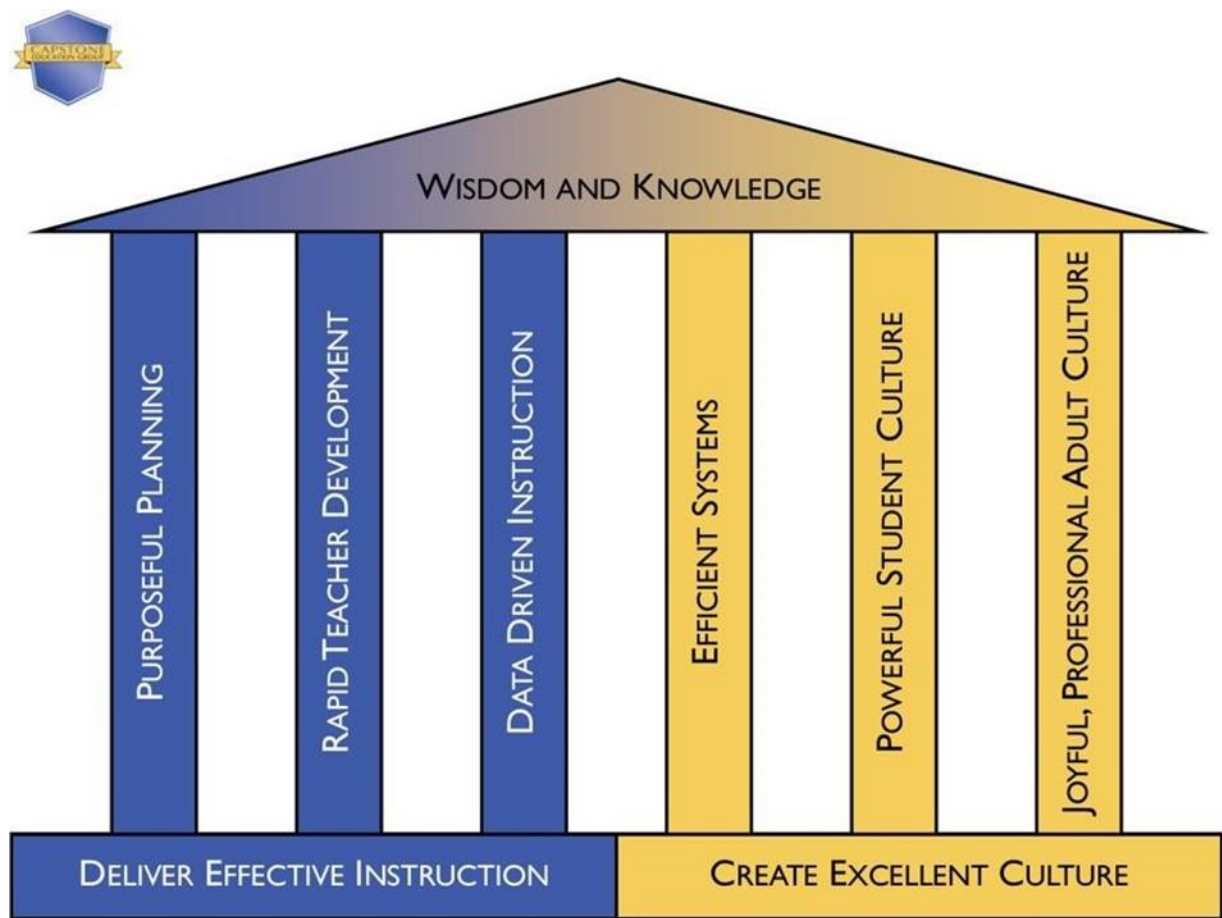
1. Ensure that all students currently below grade level grow at least 1.3 years as measured by NWEA's MAP, reducing their existing achievement gap and getting them closer to being college ready.
2. Ensure that all students that are on grade level grow at least 1.0 years as measured by NWEA's MAP, keeping them on track for college.
3. Ensure that an increasing number of scholars are moving towards mastery and on track levels on TN Ready by adding 5 percentage points annually to the previous year's percentages in the Approaching, On Track and Master categories until surpassing the SCS district average.
4. Earn a TVAAS 4 or higher every year in every subject.
5. Ensure scholars come to school with a 95% attendance rate, arriving on time and ready to learn.
6. Ensure parents feel supported, heard and part of their child's success at school through annual parent satisfaction rates of 85% or more.
7. Ensure parents, community members and scholars work together to support student achievement through consistent volunteer opportunities, formation of a parent advisory committee, community events at the school and weekly parent communication from school leaders and teachers.
8. Ensure a powerful student culture that enables students to feel safe at school through the implementation of clear and consistent expectations connected to the school's core values.

The MAP assessment, administered three times each year (August, December and May) provides a national assessment that provides the baseline for all scholars each year and then provides two consistent measures of student growth during the year and a consistent measure of student growth year

over year. CPS expects to hit the targeted growth on MAP in Year 1 and each subsequent year. TN Ready provides one final assessment of students at year end. CPS expects that Year 1 will create a baseline and Year 2 scores will exceed the Annual Measurable Objective (AMO) and then improve at least 5 points each year thereafter until surpassing the SCS district average score.

The parent survey, created by CEG parents and CEG leaders, provides an effective tool for parents to communicate their perspectives on everything related to their child's education, ranging from staff communication to facilities to the quality of instruction and resources to extra-curricular activities. CEG contains seven years of parent survey history that can be used as a benchmark for parent satisfaction at CPS. Likewise, students complete annual surveys that allow them to share their opinion on the culture and life of the school.

The vision, mission and strategy can be summarized in the following, based on the CEG version of the Parthenon:



- (c) Describe how the mission and vision of this school will meet the prescribed purposes for charter schools found in T.C.A. § 49-13-102;

The first purpose for charter schools is to improve learning for all students and close the achievement gap between high and low students. Cornerstone Prep School (CPS) will use state approved open enrollment processes to provide an opportunity for all eligible students to gain access to a college preparatory school. While targeting students living in Sherwood/Parkway Village who are currently below grade level, CPS will accept all students defined as eligible by state law and seek to close the achievement gap between low and high performing students. CEG has a proven track record of closing academic gaps. For example, last year CPD was the highest performing elementary school in the ASD, setting an ASD record for math proficiency on TN Ready, as well as the highest success rate ever earned, all while receiving an overall TVAAS Composite Score of 5 for the second consecutive year.

Likewise, based on 2019-2020 results, Lester Prep was the only middle school in the Achievement School District to earn a TVAAS composite score of 5 for a 3rd consecutive year. In addition, CEG students increased their learning level by an average growth of 1.6 years as measured by NWEA's MAP assessment last year in math and 1.3 years in reading. CPS will utilize the academic plan from the current CEG k-8 blueprint (described in Section 1.3) to provide similar outstanding outcomes for students.

T.C.A 49-13-102 describes parental options as the second purpose of charter schools. CPS seeks to provide an additional college preparatory option for parents. Memphis contains several great schools but data from recent TN Ready results, as well as the Shelby County School Application Supplement and Regional Seat Analysis, indicates there is a significant need for additional better school options for parents in the Sherwood/Parkway Village area. SCS data reports:

- “No school in the Parkway Village neighborhood scored above 3.0 on the 2016-19 School Performance Scorecard.”
- Sherwood Elementary and Sherwood Middle each scored below a 3.0 on their overall SPF
- Sherwood’s Elementary and middle school’s overall SPF Average rating was “fair”
- Sherwood’s average building utilization for elementary schools was 115% for district managed schools
- Parkway Village’s Elementary and middle school overall SPF Average rating was “fair”
- Parkway Village Elementary schools have the lowest 2017 Average Overall School Performance Rating and Sherwood has the third lowest rating
- Parkway Village has multiple schools on the 2018 Priority School List
- Parkway Village has the highest percentage of students in schools with A School Performance Scorecard rating below 3.0 in the Southeast region

These results provide a clear indication that CEG can provide better outcomes for students compared to many of their current school options. CPS will communicate the opportunity to enroll to all parents in Sherwood/Parkway Village so that all parents whose child fits the state’s eligibility requirements know they have a new option for their child.

The third purpose is to encourage the use of different and innovative teaching methods and provide greater decision-making authority to schools and teachers in exchange for greater responsibility for student performance.

CPS will use the existing CEG instructional blueprint as the guide to delivering instruction. The instructional blueprint contains key instructional strategies, which are grounded in innovative best practices from schools across the nation. CEG combined these practices from around the country with the identified needs of Memphis students to allow for schools to be a partnership in the responsibility of improving student performance. These strategies are described in the Academic section of the application.

CEG founded its 3 existing schools as charter schools responsible for using greater autonomy to deliver better student performance. Lester Campus results provide evidence that the organization can keep that promise, having moved students from the lowest performing school in the state to one that finished out of the bottom 10% and has moved past more than 150 schools based on 2018 TN Ready results.

The fourth purpose of a charter, according to T.C.A. § 49-13-102, is to measure the performance of pupils and faculty, and ensure that children can reach proficiency on state academic assessments. CEG creates a data driven instructional culture. Each week, student data on exit tickets and Show What You Know Quizzes determine the teacher and leader focus for the following week. Deans of Instruction (DOI’s) provides coaching support during the week, with one day dedicated to observing the teacher implement the coaching focus independently. Data from this observation drives future coaching needs and professional development. These assessments, along with various other student and teacher evaluations, measure student and faculty performance as students move towards proficiency on TN Ready. Both expectations will continue at Cornerstone Prep School.

T.C.A 49-13-102 also seeks to create new professional opportunities for teachers. CEG’s focus on rapid teacher improvement based on best practices from charter schools around the country provides teachers

with new professional opportunities. Data comparing student achievement in year 1 with CEG compared to subsequent years with that same teacher reveals significant professional growth in CEG teachers.

In addition, CEG's history of professional career growth and promoting from within provides evidence of new professional opportunities. For example, CEG small group teachers have been promoted to classroom teachers, classroom teachers have been promoted to Deans of Culture, and Assistant Principals have been promoted to Principal. CPS teachers will enjoy similar professional opportunities.

Lastly, T.C.A 49-13-102 requires charter schools to afford parents substantial meaningful opportunities to participate in the education of their children. Research indicates that parental involvement contributes to increased student achievement and therefore CEG partners with parents to prepare students for college and a life of leadership. CPS will utilize the CEG parental engagement plan, which include numerous meaningful opportunities for parents to participate in the education of their children. Examples of these opportunities include Tennessee School Improvement Plans guided by parental input, Title I spending based on annual Title I meetings with parents, quarterly parent workshops, opportunities to become a member of the Parent Teacher Association (PTA), annual parent surveys, and quarterly parent coffee meetings with the Principal.

- (d) Describe how the mission and vision of this school addresses any priorities set by the chartering authority; and

The state of Tennessee has challenged all schools to be Ready to Read in 2025. Shelby County Schools has taken this challenge and developed Destination 2025, the "10-year strategic plan to not only improve the quality of public education, but also to create a more knowledgeable, productive workforce and ultimately benefit our community." Shelby County Schools has identified five priority areas that will support this initiative. The SCS priorities, along with the CPS approach that addresses that priority, are listed below:

Priority 1- Strengthen Early Literacy. CPS believes "college prep begins in kindergarten" and therefore has intensive reading support in the earliest grade, with two certified teachers in every kindergarten classroom. Last year, for example, the average reading growth in kindergarten was 1.7 years.

Priority 2- Improve Post-Secondary Readiness. CPS's mission aligns perfectly with this goal. CPS equips all students for college success. The academic plan and core values provide the Wisdom and Knowledge necessary for students to succeed in college, improving post-secondary readiness.

Priority 3- Develop Teachers, Leaders and Central Office. CPS provides strong leadership development to all its staff. The Chief of Schools works with school leaders to identify areas of growth and development for each leader and works together with those leaders to develop them. Deans of Instruction meet regularly with teachers, providing consistent feedback, modeling and coaching to help them develop into master teachers. All staff members also participate in a career reflection process in December, providing staff members an opportunity to discuss their one-year, three-year and five-year career hopes and dreams.

Priority 4- Expand Quality High School Options. As a high-performing k-8 school, CPS will prepare students well who can enter quality high school on their way to college success.

Priority 5- Mobilize Family and Community Partners. CEG enjoys many community partners with whom they work to support students and families. CEG works with Communities in School, Le Bonheur, the Binghamton Development Corporation, Christ Community Health Services, the Art Garden, Memphis Gridiron Ministries and others to support students and families. CPS will leverage these and other existing partnership and the experiences from the prior 7 years with CEG to form new partnerships to mobilize family and community partners.

(e) Describe what the school will look like when it is achieving its mission.

When achieving the mission, CPS will be filled with the following evidence that can be noted by all stakeholders:

- Students displaying Fortitude when confronted with difficult problems, handling adversity with courage and character.
- Teachers working hard after school, engaged in purposeful planning based on data to meet every student at their academic level.
- Parents providing valuable input in a TSIP meeting, leading the school to make changes to its program.
- Students showing Responsibility, doing what is right and what is required in school and at home.
- Community stakeholders providing tours of the school to stakeholders from another community seeking a model school for their neighborhood.
- Staff, parents and students celebrating academic achievement, both for student growth towards grade level and student mastery at grade level.
- Students showing Respect and Kindness always.
- Students and parents discussing which college would be the best fit.
- Visually displayed goals stated and met around attendance, student achievement and parent satisfaction.

These pictures, along with many other mission-related snapshots, describe what CPS will look like when it is achieving its mission to equip all students with the Wisdom and Knowledge necessary to succeed in college and become leaders in their community.

1.2 Enrollment Summary

In this section:

- (a) Describe the community from which the proposed school intends to draw students, including the demographic profile and school zones within the LEA.

Sherwood is a neighborhood originally developed in eight phases with a total of 642 houses. Developers for the various phases were William L. Taylor and H. Price Curd and Boyle Investment Company, doing business as the Sherwood Building Corporation. The cost of the new homes in the 1940s ranged from \$6,400 to \$10,500. Sidewalks were built by the City in 1958 to the surprise of neighborhood residents.

The Sherwood neighborhood contains several churches and is known for having street names from the fictional tale Robin Hood. The neighborhood contains street names such as Robin Hood Lane, Friar Tuck Road, Nottingham Place, Maid Marion Lane, Little John Road, Allendale Lane and Will Scarlet Road. Curiously, several streets are also named after streets in Los Angeles. These include: Radford, Wilshire, Catalina, and the oft-mispronounced and alternatively spelled Vanuys. Recently there have been real estate efforts to "over-invest" in previously blighted properties that were left decimated when previous investors walked away from several properties during the Great Recession.

In 1956, developers began to develop the farmland that is now Parkway Village for "gracious suburban living". Parkway Village remained a quiet community with little crime and well-kept neighborhoods throughout most of the 1980s. Parkway Village was home to the Mall of Memphis that opened in 1981, which was closed in 2003 and demolished in 2004. The Mall at its peak was home to over 1.2 million square feet and became the largest enclosed shopping center ever to cease operations in the United States. The reason for closing of the Mall includes much speculation ranging from business decisions, to white flight, to lack of safety. As the Mall closed, the surrounding neighborhood also transitioned, and crime rate began to rise.

Listed below is some of the demographic information on these two bordering neighborhoods from the 2017 American Community Survey:

Sherwood

- 51% of children live in poverty
- Median Income of \$26,634
- 61% renter occupied housing
- 12% with bachelor's degree or higher
- 16% vacant housing units
- 71% Black or African American
- 20% White

Parkway Village

- 59% of children live in poverty
- Median Income of \$27,303
- 71% renter occupied housing
- 7% with bachelor's degree or higher
- 30% vacant housing units
- 73% Black or African American
- 19% Some other race
- 8% White

Some specific census tract data indicates pockets of even greater need:

Census Tract 82 - South Sherwood

- 77% of children live in poverty
- 6% with bachelor's degree or higher
- 22% vacant housing units

Census Tract 106.30 - East Parkway Village

- 74% of children live in poverty
- 82% renter occupied housing
- 6% with bachelor's degree or higher
- 32% vacant housing units

Sherwood and Parkway Village are contiguous neighborhoods but classified in different regions by SCS. Sherwood is part of the Sherwood/Sea Isle subregion in the Center City East Region. Parkway Village is part of the Parkway Village/Oakhaven sub-region in the Southeast region.

(b) Provide a rationale for selecting the community where the proposed school will locate.

The Sherwood/Parkway Village area suffers from several common issues:

- Low performing neighborhood schools
- High poverty rates for children
- Low parent college graduation rates
- Low home ownership rates

The issues named above, along with other hurdles children in similar neighborhood must overcome, make it very difficult for children to succeed academically and emotionally. CEG's mission is to serve children in these environments and provide a quality school option for parents and children that may not be available to them otherwise. CEG currently works in 2 neighborhoods with similar issues and has been able to make dramatic academic gains as well as to partner with organizations to improve the health of the community.

(c) Discuss the academic performance and enrollment trends of surrounding schools in that community.

Recent TN Ready results, as well as the Shelby County School Application Supplement and Regional Seat Analysis, describe the academic and enrollment trends of schools in the Sherwood/Parkway Village area. SCS data reports:

- "No school in the Parkway Village neighborhood scored above 3.0 on the 2016-19 School Performance Scorecard."
- Sherwood Elementary and Sherwood Middle each scored below a 3.0 on their overall SPF
- Sherwood's Elementary and middle school's overall SPF Average rating was "fair"
- Sherwood's average building utilization for elementary schools was 115% for district managed schools
- Parkway Village's Elementary and middle school overall SPF Average rating was "fair"
- Parkway Village Elementary schools have the lowest 2017 Average Overall School Performance Rating and Sherwood has the third lowest rating
- Parkway Village has multiple schools on the 2018 Priority School List
- Parkway Village has the highest percentage of students in schools with A School Performance Scorecard rating below 3.0 in the Southeast region
- Parkway Village elementary schools are at 107% average building utilization for district managed schools while middle schools are at 85%
- Sherwood elementary schools are at 115% average building utilization for district managed schools while middle schools are at 85%
- Parkway Village Average District-managed Projected Enrollment Change is for an increase while Sherwood is projected as a decrease

(d) Describe the specific population of students the proposed school intends to serve.

CPS intends to serve all eligible elementary and middle school students living in the Sherwood/Parkway Village area. Obviously, eligible students may come from any area, and certainly Orange Mound and Oakhaven are nearby, but CEG intends to provide a higher quality school option for the families in the noted contiguous communities of Sherwood/Parkway Village.

CEG believes that the school will reflect the demographics of the neighborhood. Therefore, the typical student would be a low-income child, living in rental property and currently attending, or zoned to attend, a school performing below expectations, including schools on the 2018 Priority School List.

CPS will serve special education students, English Language learners and general education students that based on currently available academic data, will be significantly behind their appropriate grade level.

(e) Summarize what the proposed school would do more effectively than the schools that are now serving the targeted population.

Over the past several years, CEG has transformed 3 schools in two neighborhoods like Sherwood/Parkway Village. Binghampton and Frayser had similar academic outcomes prior to the launch of the CEG schools, and demographic data consistent with the target area.

Since moving into the neighborhood, CEG has dramatically improved academic outcomes for the neighborhood students, moving all schools off the priority list and past more than 150 other schools.

CEG utilizes best practices from the highest performing schools around the country and provides significantly more supports to students than other schools, including:

- An extended school day
- More time on task for the core subjects of math, ELA, science and social studies
- 2 kindergarten teachers in every classroom
- A fulltime nurse
- A behavior support team and counselor
- 3 deans of instruction
- A fulltime Communities in Schools staff member
- Wrap around services through LeBonheur
- Network support for academics and character

These supports, along with the systems, curriculum and interventions found in the CEG blueprint, allow for CEG to provide a more effective education than is currently available for the targeted population.

CEG also brings neighborhood benefits, including afterschool activities, capital and physical improvements in the community and school campus and building. For example, in Binghampton and Frayser, the following changes have been made by CEG or in conjunction with community partners, since CEG moved into the neighborhood:

- Installation of speed bumps and police cameras on the street
- Freshly paved driveways and parking lots
- Completely new classroom and hallway flooring and renovated bathrooms
- Freshly painted classrooms with new, brighter classroom lights
- Covered entry ways and exterior standing spaces for children
- Security fencing on the school grounds
- Fulltime nurses
- Video surveillance equipment inside and outside of the building
- After school programs
- Removal of drug houses replaced with new homes for parents
- Senior living apartments
- Flashing school zone signs
- Smartboards and Chromebooks in every classroom
- New community grocery store and Dollar Tree

- College field trips
- New neighborhood basketball and football teams
- Mentoring and tutoring programs
- Community art, bike and vegetable gardens

In summary, CEG brings resources and relationships that improve the academic outcomes, social and emotional well-being for children and families and the overall health of the neighborhood in ways that a traditional school system cannot.

- (f) If you are an existing operator, describe any enrollment practices, processes, and policies that will differ from the existing school.

CEG currently operates 3 charter schools authorized by the ASD. In those schools, CEG follows the enrollment practices, processes, and policies defined by the ASD. Cornerstone Prep School will follow the SCS enrollment requirements, discussed in section 1.11, which are different than those prescribed by the ASD.

- (g) Complete the enrollment summary and anticipated demographics charts below.

Number of Students

Grade Level	Year 1 2021-22	Year 2	Year 3	Year 4	Year 5	At Capacity 2028-29
K	75	75	75	75	75	75
1	75	75	75	75	75	75
2		75	75	75	75	75
3			75	75	75	75
4				75	75	75
5					75	75
6						75
7						75
8						75
Total						675

Anticipated Demographics	% of Economically Disadvantaged students	% of Students with disabilities	% of English language Learners
75% African American, 25% other	85%	15%	15%

1.3 Academic Focus and Plan

In this section:

- (a) Describe the academic focus of the school. Tennessee law describes an academic focus as “a distinctive, thematic program such as math, science, arts, general academics, or an instructional program such as Montessori or Paideia.” (T.C.A. § 49-13-104).

Cornerstone Prep School’s mission will be to equip all students with the Wisdom and Knowledge necessary to succeed in college and to become leaders in the community. Therefore, college preparation will be CPS’ academic focus. This focus will be messaged as soon as students enter the doors of CPS. All classrooms will be identified by a high performing college in the United States. College pennants, pictures, and other college items will adorn the classroom, reminding students of the school mission.

In addition to the visual college representations within the school, CPS students visit colleges and universities each year from grades 6-8. During these tours, students engage in workshops, meet professors associated with different departments, and attend college classes. As a sixth grader, students will visit local universities and colleges in Memphis. Current students at Lester Prep have visited Rhodes College, Lemoyne Owen and University of Memphis. Seventh grade students will visit colleges located outside of Memphis but within the state of Tennessee. Lester Prep seventh graders have visited Fisk University and Tennessee State University. Finally, eighth grade students will visit schools outside of Tennessee. This will be an overnight trip where students have an opportunity to spend the night on the college campus. Eighth grade students at Lester Prep have visited Lincoln University, Xavier and Dillard University.

In addition to exposing students to colleges, CPS will equip students academically, socially and emotionally to succeed in college. Utilizing the same academic blueprint delivering results at existing CEG schools, CPS teachers will deliver instruction designed to reach students at their current level and quickly move them towards grade level, the best measure of college readiness. Core ELA, Math, Science and Social Studies teachers deliver instruction appropriate for their grade level while the intervention block, Walk to Read (K-2) and Learning Lab (3-8), addresses students’ instructional level needs.

The CEG cultural blueprint provides the process for instilling core values and character necessary for college success and a life of leading. Classroom instruction, community meetings, counseling and behavior team sessions provide students with the Wisdom and character they need for success.

- (b) Outline the school’s academic plan, defined as “a platform that supports the academic focus of the charter school and will include instructional goals and methods for the school, which, at a minimum, shall include teaching and classroom instruction methods, materials, and curriculum that will be used to provide students with knowledge, proficiency, and skills needed to reach the goals of the school.” (T.C.A. § 49-13-104).

CPS will implement the academic plans outlined in the CEG blueprint, which is described below for grades K-2 and 3-8.

Grades K-2

In order to ensure our students have the Wisdom and Knowledge to be successful in college, CPS students must be critical, thoughtful readers, compelling writers, and effective speakers and listeners. Our vision seeks to define exactly what that looks like in the classroom and what that requires teachers do differently in order to plan and deliver effective instruction.

The K-2 ELA Block

The ELA block consists of 3 instructional blocks:

- Listening Strand
- Skills Strand
- Guided Reading

There are key practices that support instruction across all three blocks:

- **Anchor Charts:** The charts should align to the lesson based on the reading and writing skills for that week. They are also used as a visual of different modeled exemplars.
- **Word Walls:** Listening Strand and MAP vocabulary words are posted and used as taught by the teacher. Other word walls can show tricky words sight words, and decodable words that are taught and updated frequently.
- **Explicit Vocabulary Instruction:** Vocabulary instruction is a critical part of building student background knowledge in every listening strand lesson. Vocabulary instruction should follow the following steps for teaching explicit vocabulary and should take approximately 5-10 minutes.
 - Step 1: Create a student-friendly definition that you share with the class and allow them to repeat back or share during a turn and talk. Do not ask students what they think a word means as this may solidify incorrect information versus teaching correct definition.
 - Step 2: Active Practice (include 1 or 2 examples of how the word might be used and allow students to share and discuss their answers). Examples include:
 - Ask when a word would/would not apply: "Is it accurate to say a nurse volunteering with the Red Cross is acting admirably? Why or why not?"
 - Create a context: "What would make someone say, 'You are such a tyrant?'"
- **Habits of Discussion:** Discussion is critical to developing students' oral language skills which directly affects their ability to read and write. It is important to build the habits of speaking in complete sentences and listening to one another during discussions

The Listening Strand

The Listening Strand builds students' oral language skills by listening and responding to questions using high level text for the purpose of building vocabulary, comprehension and background knowledge. Each strand follows a read aloud lesson format where the teacher reads the text to students, references the pictures within the story, and asks questions to provide opportunities for active class discussion. Students also have an opportunity to respond to the text orally and through various writing tasks. Each lesson has a purpose for listening which is directly linked to one or more of the objectives for the lesson.

Key Practices to support the Listening Strand:

- Focus Standard
Each lesson will have ELA focus standards. These standards are designed to improve student achievement. Each ELA focus standard should be unpacked and explicitly taught either through anchor charts, modeling, or think alouds. ELA focus standards should supercede the content standard. Questions, TDQ's and discussion should be driven by ELA focus.
- Presenting the Read Aloud, Habits of Discussion
 - Tradebook Read Alouds: Each domain includes opportunities for teachers to use trade books as read alouds to support concepts of prints and continue to build vocabulary and comprehension through class discussion and shared writing. These books are pre-selected to relate to the domain theme in order to support text to text connections. The read aloud lessons are written by the teacher and should be based on the focus standard from the listening strand lesson. These lessons can also include opportunities to address MAP skills based on data from the NWEA Learning Continuum.
 - Genre Based Think Job (GBTJ): Every shared reading lesson should employ the use of genre based think jobs to set a purpose and make meaning of the text. By doing this repeatedly during shared reading students will be able to apply the same ways of thinking about text to their independent reading.
*Refer to CKLA supplemental guide for questions.

- **Tasks**
The following are different tasks that teachers will use to reinforce writing and reading skills taught in CKLA curriculum
 - Companion guides-These guides are used with the intent of keeping students engaged with the content that they are learning through different CKLA domains.
 - Writing prompts-Planned questions that are connected to lessons for the week

The Skills Strand

The Skills Strand teaches the foundational skills of reading. In addition to phonics, students also are taught spelling, grammar, and writing during the Skills Strand. By the end of grade 2, students have learned all the sound-spelling correspondences in the English language and are able to decode written material they encounter. It is important that students receive instruction at their level to build the critical foundational skills. It is essential that all components of the lessons are taught with fidelity.

Min	Standard Day 60 mins	Materials
10	Warm-Up should include the following if applicable: <ul style="list-style-type: none"> • Oral Blending • ABC Review • Spelling Review 	Ancillary Components Alphabet strips
20	Decoding Activities-should include the following if applicable: <ul style="list-style-type: none"> • Student Chaining • Spelling Tree • Word Sorts 	Ancillary Components Chaining folders, pocket charts, small cards and pocket chart cards
10	Guided Practice Reading, Grammar, Spelling	Ancillary Components <ul style="list-style-type: none"> • Wiggle cards • Decodable texts
10-20	Independent Work	CKLA Worksheets Remediation Guide Monitoring key

Key Practices to support the Skills Strand:

Placement tests: Placement tests should be given at the beginning of the year and during testing cycles (DRA). Teachers should review the results and group students according to the assessment guidelines in order to adjust instruction to meet the student’s foundational skills. These groups are flexible, and students’ placement should be adjusted based on progress on Skills Assessments, MAP and/or DRA. Teachers should follow the lesson sequence recommended by the CKLA remediation guide. In kindergarten, co-teachers can work with small groups during skills as designated by specific lessons. In first grade, students should rotate to designated classrooms during skills and guided reading block so that they can receive appropriate instruction on their level. In second grade, students should be placed in homerooms designed to meet their instructional needs. These groups are flexible and should be adjusted based on data.

Decoding: Each skills strand lesson focuses on different elements of phonics and phonemic awareness by grade level. It is important for teachers to ensure they create and use materials and strategies as prescribed by the teacher’s guide.

Blending: (finger tapping) This strategy is oral and can be used with any words with 2 or 3 phonemes for beginners. Once the student is asked to tap words to read or spell, the words should only contain the phonetic elements that have been taught to the students.

Chaining and Chaining Folders: Chaining is a teacher-led activity. Students increase their mastery of the spellings taught in each unit as they get to practice hands-on through different lists of words provided by the teacher. Chaining Folders provide spelling practice. Students arrange Small Letter Cards on these folders in order to spell words comprised of sound

spellings that have been taught. Student Chaining Folders are used in Units 5–7 of the Kindergarten Skills strand.

Spelling Trees: (For Grades 1-2)-Spelling trees help students see patterns in words and track spellings. The trunk stands for a specific phonemic sound. The branches represent all of the spellings of that sound. When students learn words with the sound, the word is written on a leaf and placed on the matching branch. The completed activity serves as a visual in the classroom and is updated as new phonemes are taught. Multiple trees will be visible as students use them for different activities.

Guided Practice Reading, Spelling and Grammar:

- Student Readers: Decodable texts provide students with an authentic reading experience and reinforce their sense of success by eliminating the distraction of encountering text. Teachers will print the readers and use as specified in the teacher's guide. Decodable texts are used mostly used to build fluency.
- Spelling: Spelling lessons introduce a phonetic skill as students work independently to build words. Activities include chaining, word sorts, pocket charts, high frequency word games, worksheets, small group work, partner reading and a family-home connection letter. Each part of the spelling lesson connects to enforce mastery
- K-1 Sight Words: Teachers will teach all of the words on the Sight Words Scope and Sequence. Reinforcement of Sight Words may occur during Listening, Skills, and Guided Reading. Continued exposure to sight words will support with the student mastery of words.
- Explicit teaching of Sight Words will also occur during Walk to Read. Teachers will assess the words on Fridays to determine student mastery of words from the week.
 - Most missed word will be spiraled into the weekly cycle of words.
 - Words will be placed on the word wall each week.
- Grammar: Grammar is explicitly taught and modeled with either oral or written practice. Worksheets are used during independent practice and/or homework.
- Writing: The Skills Strand builds on each lesson and is taught through a progression of skills as the teacher models activities. Writing Rubrics are used to assess the student's mastery and provide specific criteria to promote and sustain a progression of learning.

Grade Level	Types of Activities	Ancillary Materials
Kindergarten	Handwriting practice, dictation, tracing, copying shared writing (class charts, class stories and letters, class books, timelines, etc.), free writing, drawing and labeling	Anchor charts, writing rubrics, exemplar (model)
First	Drawing with sentence word and sentence dictation, instructional writing (how to write instructions), descriptive writing (how to write descriptions), fictional narrative, personal narrative, friendly letter, and opinion paragraph/persuasive writing	Anchor charts, writing rubrics, exemplar (model)
Second	Drawing and describing or labeling, writing prompts, fictional narrative, book report, personal narrative, friendly letter, instructional writing, descriptive paragraphs, persuasive writing, and note-taking.	Anchor charts, writing rubrics, exemplar (model)
The Writing Process Steps: (<i>consecutive lessons</i>)		
Planning/Prewriting	This is the planning stage. Students brainstorm ideas, use a graphic organizer, or writing prompt.	
Drafting	This is the first draft. Students write while using the exemplar as guidance.	
Revising/Editing	Students change their writing to make it better by selecting different words, taking things out or moving sentences around.	
Publishing/Final Draft	The final stage of writing is considered complete and ready for grading or posting.	

Independent Practice:

- Students will be given time to complete teacher provided work products.
- During this time, teachers will make intentional laps around the room, aggressively monitoring student work and providing feedback that will help advance their work products.

Guided Reading

This component of the ELA block uses the Jan Richardson framework where the teacher provides guidance to students in order to improve in reading. Students are assessed using the Developmental Reading Assessment (DRA) to determine their instructional level. Based upon the levels, students are grouped and provided intensive and targeted instruction in reading, writing, word study, and comprehension. The teacher provides specific reading strategies with appropriate scaffolding, gradually reducing support to promote independence.

The K-2 Math Block

Using the ENY curriculum, teachers act as facilitators of math conversations, helping students make connections among topics, but also connecting learning across grades by using a common mathematics vocabulary.

In the Concept Development, students gain this deep, flexible conceptual understanding, as well as facility with mathematical modeling and justification. Through discussion and checks for understanding during the Concept Development and the Student Debrief, students deepen and refine their understanding, and then apply that understanding in problem sets, application problems, and homework. Fluency Practice allows students to develop the necessary automaticity with procedural math skills. The other components -guided math groups and reteach – work to differentiate instruction to ensure that all students master the content and further develop their skills

Min	Monday-Thursday(120 min)	Materials
20 min	Calendar Math & Engage NY Sprints	Slides, Sprints
20 min	Application Problem	Student ToolKit
35 min	Core Lesson <ul style="list-style-type: none">• Concept Development• Problem Set	Curriculum
15 min	Student Debrief Exit ticket	
30 min	Reteach/Guided Math -Additional Fluency Activities as listed Exit Ticket Review (T-Th)	

Calendar Math: The start of the math block begins with a calendar math lesson. These lessons review key standards and map skills. They help students build fluency with mathematical concepts through repetition, discussion and pattern building. Calendar math lessons are highly engaging and based on crisp routines.

Calendar Math Primary Spiral Skills:

Shapes

Money ID

Number ID

- K:1-20
- 1st: 1-120
- 2nd: all numbers

Number Sense

- Sequence (1,2,3)
- How many (** = 3)
- Fluency (number bonds)

Place Value (using terms: rods, tens, units) (Kindergarten will use number of days in schools to place value)

- Tens frame
- Number line (coding 5's and 10's)
- More/less

Multiplication and Division Fluency

Exit ticket/ SWYK review (Previous lesson)

Application Problems: Application involves using relevant conceptual understandings and appropriate strategies even when not prompted, to solve problems.

Fluency: Math fluency refers to knowledge of procedures, knowledge of when and how to use them appropriately, and skill in performing them flexibly, accurately and efficiently. Fluency can be spiraled or current work but does NOT introduce new concepts. Fluency should be a quick activity to activate automaticity and practice different number sense and patterns. Types of fluency include the following:

1. Sprints- As encountered in Engage NY lessons, students complete Sprints A and B. Students celebrate improvement after correction of Sprint B.
2. Counting- As encountered in Engage NY lessons, students count using crisp, clear signals. Includes counting forward and backward. Uses choral responses and appropriate wait time.
3. Whiteboard exchange- Uses clear and effective procedures to maintain quick pace. Sequences problems from simple to complex and adjusts based on students' responses. Corrects students' work, including second try responses.

Concept Development & Task: Introduces new learning delivered in a variety of methods with all 3 models of concrete, pictorial, and abstract methods for students of various levels of understanding. Provide students opportunities to collaborate and discuss thinking with peers. Keep the concept development to the point and allow students the opportunity to work through misconceptions. The teacher makes the content of the lesson explicit by using explanations, representations, tasks and/or examples. Teachers adapt the lesson content to intentionally target core tasks aligned to the aspects of rigor the standard (conceptual understanding, procedural skill and fluency an/or application). The teacher adjusts the lesson based on the Criteria for Success (CFS) of the task to ensure that students master the core content. This can include adding checks for understanding, increasing opportunity for making student thinking visible and adjusting the quantity of problems to focus on the quality of developing new concepts and meaningful discussion. Students have the opportunity to apply content skills in the context of in-depth problems.

Independent Practice: Students have the opportunity to apply learning to make sense of instruction and concepts. Teachers should select which problems they want students to complete and differentiate appropriately. Teachers should actively circulate with their monitoring keys, while providing written and verbal feedback to students to address misconceptions either whole class or individually based on trends they see to push students towards mastery. Teachers should be thoughtful about how they chunk this time to help students build stamina and check for understanding. The teacher deliberately checks for understanding throughout the lesson and adapts the lesson in the moment according to student understanding.

Student Debrief: The student debrief in Eureka is where students are encouraged to talk about each other's thinking and make sense of their learning. Students and teachers use Habits of Discussion to facilitate discourse about solving math problems. Students explain their thinking about the content of the lesson, including the use of tools and revision of work through the use of high quality questions and problems that the teacher poses. The teacher strengthens all students' understanding of the content by strategically sharing a variety of students' representations and solution methods. The teacher allows students to wrap up their learning by making connections and clarifying misconceptions prior to an exit ticket. This is vital to ensuring we are maximizing student thinking and engagement. Teachers must pace and prioritize this time accordingly. The student debrief should not be skipped.

Walk to Read Intervention Block

Walk to Read is the intervention block for K-2 at Cornerstone Prep School. Students are grouped according to their reading level across classrooms in order to receive 40 minutes of Reading Mastery instruction daily. In this learning model, teachers work with a set tier of students with similar instructional needs in order to increase student proficiency on a set of objectives/skills. This is also when Response to Intervention (RTI) services are given.

Students will be flexibly grouped throughout the school year based on student data from MAP, DRA and previous Reading Mastery Levels.

- Tier 1 Student Groups: These students will receive Reading mastery instruction in large groups. The following are the expectations based on their instructional levels:
- K and 1: complete at least 1 lesson a day or fast track pacing in order to ensure students accelerate their reading growth by 1.5 years.
- Tier 2 Student Groups: These students will also receive reading mastery instruction. These students will be progress monitored per RTI requirements. The goal of these groups is to complete 2 lessons a day or fast track pacing as much as possible.
- Tier 3 Student Groups: These students will receive Reading Mastery instruction at their level. Students will be progress monitored and instruction will be paced accordingly.

Kindergarten-Second Grade	
Warm Up	4 mins.
Heggerty	8 mins.
Reading Mastery Vocabulary Reading Mastery Scripted Lesson Independent Work	2 mins 16 min
	10 mins.

3-8 Instructional Expectations

3-8 English Language Arts

Course Description: The English Language Arts (ELA) course emphasizes the fundamental language skills of reading, writing, speaking, listening, thinking, viewing and presenting. An emphasis on vocabulary and composition skills will be an on-going part of the instructional program. Students will study various literary genres such as short story, poetry, novel, drama, and nonfiction texts. The development of critical reading and writing skills is a major emphasis of the course.

English Language Arts Instructional Expectations: The study of language helps students become effective thinkers through communication, reflection, and understanding. To develop good thinking strategies, students must become active learners. As a result, it is expected that the following strategies are used in every ELA classroom:

- TN Core ELA Standards – All ELA lessons are aligned to TN Core ELA Standards. These standards will be used to guide the reading of text and help students with text analysis. Teachers will develop text-dependent questions aligned to TN Core standards.
- Accountable Talk: Accountable talk responds to and further develops what others in the group have said. It puts forth and demands knowledge that is accurate and relevant to the issue under discussion. Accountable talk uses appropriate evidence and follows established norms of good reasoning.
- Close Reading: Every reading lesson will engage students in active reading of text (students think, talk, and write about the text being studied). The curriculum will include 50% literary texts and 50% informational texts. Teachers will use this opportunity to help students foster comprehension of important points of the text and answer text-dependent questions.
- Complex text: Texts used for whole group instruction should be complex. Texts should be either on or above grade level.
- Text-Dependent Questions: Students will respond to text-dependent question as they read. They will talk and write about text in developmentally appropriate ways. Teachers will provide students with sentence frames that require support for claims with evidence from the text. Below are the types of questions that will be posed to students:
 - Part A/Part B: Two-part questions where Part B typically asks students to provide evidence for their response.
 - Multiple Select: A question that has several possible answers but has more than one correct answer.
 - Multiple Choice: A question that has several possible answers but only one correct answer.
 - Stop and Jots: Questions that are quick checks for understanding that requires students to respond in writing.
- Extended Responses (ER): Extended Responses allow the students to respond to reading prompts/question with a short, evidence-based response. The teacher models how to respond to a prompt/question using the TIQAC Model: Topic Sentence, Introduction to the Evidence, Quote or Example, Analysis, and Conclusion.

- Grammar: Teachers will explicitly teach grammar mini lessons throughout the week. The grammar skill should be reiterated and practiced during Do Nows, and during the writing block.
- Metacognitive Strategies: Teachers will create anchor charts and graphic organizers that will be used to support metacognitive thinking strategies and organization of thought.
- Modeled Instruction: Teachers will demonstrate the type of thinking necessary to make meaning in a text using a think-aloud during Direct Instruction.
- Target Words: Teachers will teach 4–5 target words each week. Target words are Tier 2 words that are important for reading comprehension and occurs across multiple domains. Target words should be unfamiliar to most students, be central to the understanding of the text, and travel well among content areas. Daily follow-up should be provided via, homework, read aloud, discussions, and writing to ensure that students receive 12–15 exposures to the target words per week. These exposures can be integrated into Do Now practice, review of skill sessions, essay writing, class discussions, and are a required component of the Extended Response rubric.
- Curriculum- ELA teachers use CEG curriculum that was developed by the Director of Academic Achievement for the organization. The curriculum includes unit plans, exemplar lessons and interim assessments for each unit of study. Texts included in the curriculum are at or above grade level and 60% informational text to 40% literary.

Writing Instructional Expectations: Writing is another component of the English Language Arts course. Writing will focus on developing essential writing skills to build confidence in writing for a variety of academic purposes. A specific type of writing style will be taught each quarter. First and third quarters will be dedicated to argumentative/explanatory writing. During second quarter, students will work on Narrative Writing. Finally, fourth quarter will focus on writing a research paper. Students will gain fluency in the writing process using invention strategies - prewriting, drafting, revising, and editing in order to produce an organized, well-written body of work. Below are the instructional expectations for writing:

- ELA Standards: Writing will use the Common Core ELA standards to explicitly teach students the mechanics of writing.
- Writing prompts: Prompts will ask students to cite evidence from one or multiple texts to produce and evidence-based response. Teachers will design prompts in a manner that best aligns with the writing prompt expectations as seen on TN Ready Sample Writing Prompts. Two writing prompts are available for each unit within the curriculum. Teachers will also have access to writing prompts from Achieve the Core.
- Materials: Writing teachers are encouraged to use primary sources, graphics, audio visual resources, etc. to build student excitement for, and deepen students' understanding of Science, Social Studies and ELA content.
- Writing Process: Writing will follow a process approach: Prewrite, Draft, Revise, Edit, and Publish. Students are not expected to complete each step of the writing process every day. Rather, these steps should be taught over the course of an entire unit and result in a culminating product. The teacher will model the process of writing using a text that has been studied in class. Students will receive a text to respond to in a similar writing prompt. Students will revisit the text each week as they work through the Phases of Writing to complete a full essay. Students are encouraged to type their final draft of their essays, but they are not required. These scaffolds are put in place for the first semester so students will become more independent during the second semester. Students will write at least 2 essays per quarter that are aligned to Common Core Standards.
- Weekly writing expectations: Each week of Writing will be introduced through a mini lesson, where the teacher models the skill that will be highlighted. Each essay will be completed in approximately 4.5 weeks.
 - Pre-Writing = 1 week
 - Analyzing the prompt
 - Brainstorming
 - Outlining
 - Draft= 2 weeks
 - Introductory paragraph
 - Body paragraphs
 - Conclusion paragraphs
 - Counterclaims
 - Revise/Edit= 1 week
 - Transitions
 - Word Choice

- Sentence Variation (teachers may revisit previous Grammar lessons to help students create variety for sentences)
- Publish = 1 week
 - Finalize drafts
 - Publishing Party (Friday) - The writing teacher will host a publishing celebration at the midpoint of each quarter. Students will have an opportunity to share their writing to an authentic audience. Families may be invited.

Daily Instructional Schedule: An essential part of the academic program is the daily instructional schedule. We want to ensure that every minute of instructional time is dedicated to student learning and the completion of meaningful work. Below is the expected instructional schedule for ELA implementation:

Monday		Tuesday		Wednesday		Thursday		Friday	
5 min	Do Now	5 min	Do Now	5 min	Do Now	5 min	Do Now	5-8 min	Review
12 min	Grammar	30 min	Close Reading Phase I	10-12 min	Writing Mini Lesson	12 min	Re-Teach	50 min	SWYK Quiz
3 min	Grammar Exit Ticket	5 min	Close Reading Phase II Exit Ticket	50 min	Writing+ Conference Time	4 min	Re-Teach Exit Ticket		
15 min	Vocabulary Instruction-Context Clues	25 min	Extended Response	5-8 min	Sharing	45 min (15 min each station)	Stations		
3 min	Exit Ticket-Context Clues	5 min	Sharing/Peer Review			4 min	Exit Ticket		
25-38 min	Phase 1 Close Reading								

3-8 Math

Course Description: The Mathematics course provides a transition from elementary school mathematics to the integration of algebra and geometry topics studied in grade 8. The inclusion and implementation of the mathematical practice standards permeate each lesson. This is an essential transition for students, as it provides:

1. The expansion of number and operation concepts from whole numbers to real numbers
2. Geometry relationships from two dimensions to space
3. Data from questions focusing on a single data value to situations where one is comparing two data values per subject or two groups on a single variable
4. Algebra from arithmetic and geometric patterns to variables, expressions, and equation

Middle grades math lessons should focus on activities in which students produce and share products. This type of activity is beneficial because it has been shown that students retain more when they "Say and Do." The process of addressing middle school math standards can be implemented using best-practice instructional techniques and strategies. Effective math lessons that implement these best practices have the following characteristics:

- Students' engagement is at a high level
- Tasks are built on students' prior knowledge

- Scaffolding takes place, making connections to concepts, procedures, and understanding
- High-level performance is modeled
- Students are expected to explain thinking and meaning
- Students self-monitor their progress
- Appropriate amount of time is devoted to tasks

Concrete Representational Abstract (CRA) Approach: CRA is a sequence of instruction that provides a gradual conceptually supported framework for students to create a meaningful connection among concrete, representational, and abstract levels of understanding. Beginning with visual, tactile, and kinesthetic experiences to establish understanding, students expand their understanding through pictorial representations of concrete objects and move to the abstract level of understanding. When using CRA, the teacher should provide multiple opportunities for practice and demonstration to help students achieve mastery of the mathematical concept.

1. Concrete: In the concrete stage, the teacher begins instruction by modeling each mathematical concept with concrete materials (e.g., red and yellow chips, cubes, base-ten blocks, pattern blocks, fraction bars, and geometric figures).
2. Representational: In this stage, the teacher transforms the concrete model into a representational (semi-concrete) level, which may involve drawing pictures; using circles, dots, and tallies; or using stamps to imprint pictures for counting.
3. Abstract: At this stage, the teacher models the mathematics concept at a symbolic level, using only numbers, notation, and mathematical symbols to represent the number of circles or groups of circles. The teacher uses operation symbols (+, −,) to indicate addition, multiplication, or division. Manipulatives or pictures can still be made available to support students with understanding their abstract understanding.

Math Tasks: The use of math tasks will be used to facilitate mathematics instruction.

1. Pose the task and brainstorm possible solutions (model)
2. Make thinking visible through think alouds
3. Incorporate vocabulary within the guided examples
4. Students work on tasks in pairs as the teacher listens and asks leveled questions (Webb's Depth of Knowledge) about student thinking (guided practice)
5. Students explain thinking orally and in writing

Math manipulatives: Math manipulatives should be incorporated within a math lesson.

- It is essential for teachers to realize the impact of referring to manipulatives as tools to help students learn math more efficiently and effectively.
- Manipulatives must be introduced in a detailed format with a set of behavior expectations held firmly in place for students to begin to develop a respectful knowledge-base about using manipulatives for math learning.
- Manipulatives need to be modeled often and directly by teachers in order to help students see their relevance and usefulness in problem solving and communicating mathematically.
- Manipulatives will be introduced and modeled as part of Concrete direct instruction. However, they can be used at any point of lesson to help reinforce/scaffold or enrich.

Do Now: Do Nows are not included in the Eureka Math materials, however, they should be leveraged as a crucial piece of the Eureka Math component of the math block. Do Nows are an opportunity for spiral review and are an opportunity for students to practice a concept that they have mastered. They can also be used to prime students' prior knowledge for the upcoming lesson.

Math Fluency: Math Fluency refers to knowledge of procedures, knowledge of when and how to use them appropriately, and skill in performing them flexibly, accurately, and efficiently. Fluency exercises are accomplished through the following:

1. Sprints. As encountered in Eureka lessons, students complete Sprints A and B. Students celebrate improvement after correction of Sprint B.
2. Counting. As encountered in Eureka lessons, students count using crisp, clear signals. Includes counting forward and backward. Uses choral responses and appropriate wait time.

Whiteboard exchange: Uses clear and effective procedures to maintain quick pace. Sequences problems from simple to complex and adjusts based on students' responses. Corrects students' work, including second try responses.

Eureka Math Lessons: Eureka Lessons provide students with multiple opportunities to learn about content in a variety of ways. As a result, the lessons for grades 6–8 include four lesson types:

1. Problem Set Lesson (P): Students and teachers work through examples and complete exercises to develop or reinforce a concept. In this type of lesson, teachers model a problem and release students to practice the problems in small groups or independently.
2. Exploration Lesson (E): Students are presented exploratory challenge(s) in the form of activities and/or exercises in which partners or small groups work toward achieving a common goal. Exploratory challenges comprise the majority of the lesson.
3. Socratic Lesson (S): The Socratic lessons are primarily student/teacher discussions. Teachers lead students in a conversation to develop a specific concept or proof.
4. Modeling Cycle Lesson (M): These problems involve the real world application of the mathematics that is learned in the classroom. The lessons are primarily reserved for high school, but there are at least three modeling tasks throughout each middle school grade level curriculum.

MAP Skills Review: On Friday's students will work on activities connected to the areas of most need based on the Learning Continuum from MAP.

Update Performance Trackers: On Friday, after SWYK quizzes have been graded, the teacher or individual student will update the Performance Tracker. The student must have scored at least an 80%, on the assessment to show Mastery of the objective or standard for the week. The teacher or student will place a sticker by their name and assessment. This should be done for both SWYK and reteach as an investment strategy for students.

Daily Math Instructional Schedule-An essential part of the academic program is the daily instructional schedule. Since every minute matters, we want to ensure that each minute of instructional time is used to complete meaningful work. This approach to math produced average MAP growth of 1.5 years in Math and a TVAAS Level 5 on TN Ready in Math. Below is the expected instructional schedule for Math

Monday		Tuesday		Wednesday		Thursday		Friday	
5 Min	Do Now	5 min	Do Now	5 min	Do Now	5 min	Do Now	5 min	Fluency Review
20 Min	Reteach	10 min	Direct Instruction or Mini Lesson of Standard of the week Representational	5 min	Direct Instruction or Mini Lesson of Standard of the week Abstract	45 min	Performance Task	5 min	Fluency Assessment
10 Min	Direct Instruction or Mini Lesson of Standard of the week Concrete	15 min	Guided Math Task/Practice	15 min	Guided Math/Practice			5 min	Review of the week's content
15 Min	Guided Math Task/Practice	15 min	Independent Practice & Guided Math Group	15 min	Independent Practice & Guided Math Group			35 min	SWYK Quiz
15 Min	Independent Practice & Guided Math Group	5 min	Exit Ticket	5 min	Exit Ticket			5 min	Update Fluency Trackers
5 Min	Exit Ticket								

3-8 Science

Course Description: The science curriculum is currently being revamped to support the new Tennessee Science Standards. The curriculum will enable students to explore scientific concepts in depth. Students study integrated curriculum that addresses life science, physical science, and Earth/space science. Concepts are vertically aligned so that students build on prior knowledge as they progress through the grades. The life science standards focus on concepts that are shared by all living things such as cellular structure, biochemical make-up, interdependence, and inheritance. The physical science standards stress an in-depth understanding of the nature and structure of matter, properties of forces, and the characteristics of energy. Earth and space science standards focus on the study of the Earth's lithosphere, hydrosphere, atmosphere, and the celestial properties of the Universe. Throughout each course, students develop skills and understandings in the areas of scientific inquiry, engineering, and technology.

Science Instructional Expectations: Science is the great quest to find the answers to life's mysteries. The teaching of science offers students the ability to access a wealth of knowledge and information which will contribute to an overall understanding of how all of the minute details of the universe coexist and interconnect. Below are the instructional expectations that should be used in all science classes:

- Nonfiction Reading in Science - The Science curriculum includes texts that teachers should use for instruction. Text should be a vehicle to introduce or reinforce class content or explore its applications. Moving beyond textbook resources enriches science instruction and provides new perspectives for addressing content. Short portions of text from science magazines, websites, and journals add relevance to the studied concept.
- Provide context by setting the purpose for reading and using active reading strategies.
- Give students multiple opportunities to read the same text while varying the mode (teacher led, whole group round robin, small group round robin, pair, individual) and purpose (determine the main idea, determine the author's purpose, answer text-based questions, etc).
- Assign short answer questions and have the students answer while citing evidence from the text.

Inquiry based learning: This teaching approach allows students to explore scientific concepts through posing questions, creating investigations, and completing research. Students develop lifelong learning skills and take ownership of their learning. As students generate questions and investigations, they draw connections between academic content and real-world experiences. This type of approach transforms the teacher into a facilitator of the learning process.

Experimentation: Students gain exposure to hands-on use of scientific tools and the scientific method. As students consistently use the scientific method to explore concepts and ideas, they develop a strong understanding of the protocols used during scientific investigations. Students also build a core foundation of the Inquiry standards, which repeat and build upon each other throughout K-12 science education. Understanding how to perform, develop, and analyze experimental design will prepare students for future success in upper level science coursework, as well as science careers. Funds are allocated for instructional resources in the budget to cover the materials needed for experimentation,

Mathematical Concepts in Science: Students use math concepts to explain and prove scientific ideas. Students apply their knowledge of math to novel concepts in science and analyze data in graphs to draw conclusions.

Scientific Writing: Students can express their understanding of scientific concepts through written word. Students can answer the "why" and "how" questions related to scientific concepts. Students understand how to create the basic components of a lab report. Students explain how scientific concepts relate to novel situations. Student writing may take the form of journaling, producing a lab report, writing a paragraph, or writing an essay. Students are given a clear criterion for success that includes writing / grammatical expectations as well as expectations for science content / scientific explanation.

Speaking in Science: Students use content-specific vocabulary integrated with on-grade level academic vocabulary to explain concepts and ideas. Students can discuss and debate scientific concepts with others and present information to groups.

Explicit Vocabulary Instruction: Vocabulary words are posted on a word wall. Students receive direct instruction or guided review on target words for the week. Key words for the day are clearly identified. Students are able to identify the focus words and explain their meaning.

Daily Science Instructional Schedule: An essential part of the academic program is the daily instructional schedule. Since every minute matters, we want to ensure that each minute of instructional time is used to complete meaningful work. This instructional model garnered 1.2 years growth in MAP and a TVAAS Score of Level 5 at Lester Prep. Below is the expected instructional schedule that will be used for Science.

Monday		Tuesday		Wednesday		Thursday		Friday	
Vocabulary and Nonfiction Text		Nonfiction Text and Writing		Math in Science		Experimentation		Assessment	
5 min	Do Now	5 min	Do Now	5 Min	Do Now	5 min	Do Now	40 min	SWYK Quiz
20 min	Reteach	10 min	Review of Vocabulary Words	5 Min	Review of vocabulary words	10 min	Review of vocabulary words		
10 min	Introduction to content	20 min	Phase I Reading	15 Min	Direct Instruction	10 min	Engage		
15 min	Vocabulary Instruction	30 min	Writing Prompt	20 Min	Guided Practice	15 min	Explore	20 min	Vocabulary Challenge
15 min	Phase I Reading			15 min	Independent Practice	20 min	Explain & Elaboration		
5 min	Exit Ticket	5 min	Exit ticket	5 min	Exit Ticket	10 min	Exit Ticket		

3-8 Social Studies

Course Description: Scholars in Sixth Grade Social Studies will learn about the lives of the earliest humans, the development of tools, the gathering way of life, agriculture, and the emergence of civilizations in Mesopotamia, Egypt, the Indus River Valley, and the Mediterranean Basin. Scholars in Seventh Grade will study the social, cultural, and technological changes that occurred in Europe, Africa, and Asia from the Middle Ages to the exploration to the Americas. In Eighth Grade, Scholars will study the ideas, issues, and events from the colonization of America to Reconstruction. Scholars will learn about the challenges facing the new nation, with an emphasis on the causes, course, and consequences of the Civil War.

Social Studies Instructional Expectations: Social Studies instruction will incorporate the reading and writing skills embedded in the Common Core literacy standards. Students will learn content about American and World History, while also gaining the necessary skills to become fluent readers and dynamic writers. Close Reading, text-based discussion, and argumentative, narrative, and expository writing assignments will allow teachers to reinforce students' learning of subject-area content. The instructional approach should incorporate include the following:

- Introduction to Content: Teachers will use this portion of the lesson to introduce the essential facts and skill embedded in the daily objective. The presentation of these essential facts will be the Key Points of the lesson. Teachers may teach the Key Points using one of the following methods:

- Conduct a lecture: Teachers will present the Key Points using a narrative-style lecture accompanied by PPT slides (text + visual), and check for understanding questions throughout the lecture. Summarizing notes following the lecture is strongly suggested.
- Facilitate jigsaw activities: Students are divided into small groups. Each group member will be responsible for researching a specific topic and recording their findings. They will then share their findings with the other group members. The teacher will facilitate this process by checking in with each group and clarifying information at the end of the activity through check for understanding questions and class discussion.
- Text Talk - The class will read text excerpt(s) together. The teacher will create strategic stopping points for the class to discuss what they've learned and capture the key points through note-taking.
- Note-taking is a required part of the Introduction to Content portion of the lesson and will be used to capture all of the Key Points of the lesson. Teachers should select the note-taking strategy that best captures the goal of the objective.
- Close Reading of Text: Close reading will include the reading and analysis of informational and/or literary text. Each text will help to extend or provide more context to one or more Key Points discussed in the "Introduction to Content" portion of the lesson. Teachers will use this opportunity to help students foster comprehension of important points of the text and build literacy.
- Text Dependent Questions [Common Core ELA Literacy Reading History Standards (RH 6-8)] Scholars will respond to text-dependent questions. They will talk and write about text in developmentally appropriate ways. Students must support all responses with textual evidence. The Reading history Common Core Standards will be used to guide the reading and help students to analyze the text. Teachers will develop text-dependent questions using multiple question stems from these standards. In addition, teachers will also reference anchor charts to support students' thinking process as they respond learn and use the reading skills embedded in the standards.
- Primary Analysis Tools- Primary Resource Texts and/or artifacts will be incorporated at least 1x per week. For primary resources, teachers have the option of using the CCSS reading history standards questions, or one of the Primary Resource Analysis Tools below to analyze primary resources.
- Four historical lenses - Teachers should emphasize the four lenses for "Analyzing Like a Historian," (cultural, historical, economic, geographic) to help students compartmentalize different facets of history. These lenses should be incorporated into questions, activities, and discussions. Students should be able to fluently explain their meaning and context.
- Content-Based Activity: Teachers will reinforce student learning of content and literacy standards through interactive activities that allow students to tap into the 4 historical lenses, and the multiple intelligences. Activities may include, but are not limited to: Reader's Theatre, skits, Socratic Seminars, political cartoons, historical comic strips, debates, historical letter writing and correspondence, interviews with historical leader, songs or poems reflective of the historical period, and 'Guess Who Said...' Matching the quote with the character, etc. These activities should help to solidify information learned from the Introduction to Content and help students "interact" with history in multiple ways. Each Activity will have a guiding question that will be used to create a focus for student products and responses.
- Writing Activity: Teachers will include an Extended Response (TIQAC) or Writing Activity for students that will allow them to capture the most important facets of the objective. This activity will be used to help students to reflect on the objective and think critically about the content. It will also serve as the exit ticket for Content-based Activity Days. Each Writing Activity should be graded using an appropriate rubric.
- Visual Media: Scholars will be taught to analyze and interpret various forms of visual media. Examples of visual media include: maps, graphs, charts, timelines, pictographs, political cartoons, and works of arts, advertisements, and video clips. This will help students to incorporate multiple stimuli for interpreting historical perspectives.
- Word Play [Vocabulary Instruction/Vocabulary Challenge] - For each new objective, students will be introduced to key 2-5 Tier 3 vocabulary (content-specific words). These words may be introduced using various vocabulary instructional method and are added to the Word Wall each week. Each Friday, students will take comprehensive vocabulary challenge quizzes that assesses the vocabulary words that students learned each week.

Daily Social Studies Instructional Schedule: An essential part of the academic program is the daily instructional schedule. Since every minute matters, we want to ensure that each minute of instructional time is used to complete meaningful work. Noted below is the expected instructional schedule for Social Studies.

Monday		Tuesday		Wednesday		Thursday		Friday	
20 min	Re-Teach (15 min) Assessment (5 min)	5 min	Do Now	5 min	Do Now	5 min	Do Now	10 min	Review
10 min	Word Play Vocabulary-Tier 3	35 min	Content Based Activity Writing Activity (15 in) Sharing (10 min)	10 min	Word Play-Vocabulary Tier 3	20 min	Content Based Activity	30 min	SWYK quiz
15 min	Introduction to Content	25 min		20 min	Introduction to Content	40 min	Writing (Mini Lesson + Conferencing Time)		
20 min	Close Reading of Text & Discussion			30 min	Close reading of Text & Discussion	5 min	Sharing	10 min	Vocabulary Challenge
5 min	Exit Ticket			5 min	Exit Ticket				

Learning Lab

Course Description: Learning Lab is the intervention block for middle school. Students will receive 60 minutes of reading and math intervention daily. This block of time provides students with systematic, research-based instruction that meets students at their current instructional level to either address academic deficits or enrich academic learning. Teachers work with a set tier of students with similar instructional needs to increase student proficiency on a set of objectives/skills. Curriculum for Learning Lab include Reading Mastery, I Ready Intervention for Reading and Math (Computer and Direct Instruction), and Eureka Math.

Learning Lab Instructional Expectations: Students will be flexibly grouped based on student Lexile Levels in Reading and RIT levels in Math.

- Tier 1 students will participate in three 20-minute rotations. During these sessions, students will receive the following:
 - Instruction that is directly aligned to the grade level standard using grade level material.
 - Individualized computer based instructional program.
 - Independent activities relate to the objective of the lesson or overall goal of the unit. Activities can include independent reading with response cards, writing activities and vocabulary activities.

The structure of this class is subject to change based on student performance.

- Tier 2 and Tier 3 students will participate in three 20-minute rotations. During these sessions, students will receive the following:
 - Explicit instruction on how to improve the reading or math behaviors that correspond to their reading or math levels.
 - Targeted intervention based on their specific deficit and Tier. These interventions are described in Section 1.4 (g) of the application.
 - Access to I-Ready computer-based lessons for individualized instruction. In the case where the stations are unavailable, students may complete independent activities. Independent activities should relate to the objective of the lesson or overall goal of the unit. Activities can include independent reading with response cards, writing activities, and vocabulary activities.

All students will receive intervention in both reading and math every other week.

- Progress Monitoring: Students will be progress monitored every week. Progress monitoring will focus on Reading Comprehension and Oral Reading Fluency. Reading Comprehension will be assessed using the assessments that are included with the teacher led lessons by the classroom teacher. Oral Reading Fluency will be assessed using CBM (Curriculum Based

Measure) by the Academic Interventionist. During RTI data meetings, teachers will provide an update on student performance on the identified skills.

- (c) Describe the most important characteristics of the academic plan, including any specific educational philosophy, instructional methods, or other important features of the proposed school.

The CPS academic plan, educational philosophy, and instructional methods align with the school mission to equip students with the Wisdom and Knowledge they need to succeed in college. The academic plan also supports the CEG desire to serve students in under resourced and underserved communities, typically meaning students who lag other students academically. Therefore, the academic philosophy most both meet students at their instructional level and build their knowledge up to grade level. Based on the mission and targeted student population, CPS employs curriculum-scaffolded instruction and Learning Lab to effectively meet the needs of its students. The Director of Academic Achievement is the person responsible at the network level for providing teachers with the curriculum necessary to execute the instructional expectations for each subject area. Teachers internalize lessons by scripting key points, creating exemplar responses and crafting guiding questions based on possible misconceptions.

Learning Lab represents the most effective strategy for closing the achievement gap for CPS students. During Learning Lab, students receive 60 minutes of focused intervention. In this learning model, teachers work with a set group of students with similar instructional needs, to increase student proficiency on a set of objectives/skills. Teachers serve students below grade level with the appropriate level instruction designed to address deficits while students on or above grade level receive enrichment activities. School leaders and teachers work together to deliver the necessary curriculum and instruction to provide differentiated instruction during this critical time block.

Scaffolded instruction provides another important characteristic of the academic plan. Teacher heavily emphasize scaffolded instruction during core/grade level instruction during the first semester while reducing the emphasis during second semester. Scaffolded instruction, through the Gradual Release of Responsibility model, provides teachers with an instructional framework for moving from teacher knowledge to student understanding and application. The gradual release of responsibility model ensures that students are supported in their acquisition of the standards/skills that are being taught.

Direct instruction permeates the first component of the gradual release model. During direct instruction, the teacher models his or her thinking and understanding of the content for students. This part of the instructional model should be brief in nature, should establish the purpose or intended learning outcomes and cues students in on how to solve or respond to questions. Strategies that help to facilitate this instructional strategy include Think Alouds, Board=Paper, Anchor Charts and Graphic Organizers.

Think Alouds- Think-alouds have been described as "eavesdropping on someone's thinking." With this strategy, teachers verbalize aloud while reading a selection orally. Their verbalizations include describing things they are doing as they read to monitor their comprehension.

Board=Paper- Students learn how to take notes and retain a record of one's knowledge. Teachers create an overhead mirror image of the graphic organizer you give to students to take notes on. As you fill in a blank, they fill in a blank.

Anchor Charts- Anchor charts build a culture of literacy in the classroom, as teachers and students make thinking visible by recording content, strategies, processes, cues, and guidelines during the learning process. Posting anchor charts keeps relevant and current learning accessible to students to remind them of prior learning and to enable them to make connections as new learning happens.

Graphic organizers- A graphic organizer is a visual communication tool that uses visual symbols to express ideas and concepts, to convey meaning. A graphic organizer often depicts the relationships between facts, terms, and or ideas within a learning task. It is often referred

to as a "map" because it can help teachers and students "map out" their ideas in a visual manner.

Guided practice provides the second component of the gradual release of responsibility model. During guided practice, the teacher will prompt, question, facilitate, or lead students through tasks that increase their understanding of the content. Guided practice produces proficiency through active application of the information that was taught. Effective teachers maximize guided practice during instructional time to make sure that students successfully learn a desired skill with reduced teacher support. Strategies used during this part of instruction are the following:

Think/Pair/Share- 1) Think. The teacher provokes students' thinking with a question or prompt or observation. The students should take a minute just to THINK about the question. 2) Pair. Using designated partners, nearby neighbors, or a deskmate, students PAIR up to talk about the answer each came up with. 3) Share. They compare their mental or written notes and identify the answers they think are best, most convincing, or most unique.

Turn and Talk- This strategy is an oral language support strategy that provides students scaffolded interactions to formulate ideas and share their thinking with another student. When Turn and Talk is used, all students have a chance to share their thinking in a low risk setting. Verbalizing their thinking, supports students understanding and provides conversation at a peer level, a model close to the language the student controls.

Stop and Jot- This is a processing activity that gives students the opportunity to respond to questions in writing. Asking students to think and write about what they are learning promotes retention and comprehension. These quick checks for understanding help students make sense of what they are learning before moving on in the lesson.

The third component that has been added to the gradual release of responsibility model is Peer Practice. During Peer Practice time, students will work in pairs and use the modeled process to complete practice problems. Teacher circulates the classroom to listen to student's conversations about the work and to provide feedback. Supporting strategies for this portion of the instructional model include the following:

Circulation- A TLAC strategy in which a teacher moves strategically around the room during all parts of a lesson

The final component of the gradual release of responsibility model is Independent Practice. Students work independently to complete the assignment/assessment of learning. They may use notes, activities and classroom learning to complete the assignment. At this point of the lesson, students have taken full responsibility of the learning.

The gradual release of responsibility model provides the scaffolds necessary for all students to have an access point to rigorous and challenging work.

In summary, CPS will employ the critical components of Learning Lab and scaffolded instruction to meet students' needs and equip them with the Knowledge necessary to succeed in college.

- (d) Describe current research supporting the academic plan and how the plan will drive academic improvement for all students and help close achievement gaps.

CEG developed the existing academic plan based on best practices of high performing charter schools around the country, national research addressing the academic gaps of low-income students and the identified unique needs of Memphis students.

The results of CEG provide evidence that the academic plan meets the needs of under resourced students, as more than 95% of students come from low-income homes and most students are below grade level when they enroll. CEG schools also serve a considerable number of English Language Learners (EL) and students with disabilities. The strategies embedded within the academic plan stem from best practices that have been used in other schools across the nation with similar demographics. According to the National Educational

Association, strategies for closing student achievement include the following: “an emphasis on inclusion and access to the general education curriculum, well-disciplined and systematic academic and social environments, and the use of student assessment data to inform decision making”. These strategies permeate the academic plan implemented at CEG currently and planned at CPS.

The academic plan incorporates a well-disciplined and systematic environment through the instructional schedule created for each subject. Every minute of the instructional block for ELA, Math, Science and Social Studies, and the intervention block has clear expectations for instruction. This creates a fast-paced classroom filled with urgency. In addition, the systematic behavior management techniques outlined in the culture blueprint fosters an environment where students focus on their learning. Section 1.10 of the application describes the details of the behavior management system.

TN Ready data proves the academic plan drives academic improvement and closes achievement gaps. Consider the following data:

- CEG had the school with the highest math scores in the Achievement School District in 2017-18 and again in 2018-19.
- CEG had the school with the second highest math scores in the Achievement School District, second only to our other school, in 2017-18.
- CEG had the school with the highest science scores in the Achievement School District in 2017-18
- CEG has two schools that had improved scores in every single subject in 2017-18
- For the third year in a row, CEG had the highest performing school in the Achievement School District

Finally, the academic plan incorporates weekly assessments called Show What You Know (SWYK) quizzes and daily assessments called Exit tickets. These assessments inform daily and weekly instructional decisions. If data from exit data does not yield the minimum goal of 80% mastery from all students, teachers provide comparable questions the following day as Do Nows. The teacher will explain the misconception that students had and allow them to respond to new yet similar questions to ensure that they understood the concept. Teachers also employ this method for SWYK quizzes. Teachers use the data from SWYK quizzes to inform their instruction that will be completed during the reteach block. Teachers address the misconceptions as identified from the SWYK quizzes for each subject, allow time for practice and then provide a Reteach assessment to determine whether students have mastered the topic or skill.

The implementation of the current academic plan across CEG yielded the following accomplishments based on MAP data last year and provides strong evidence that the academic plan will drive academic achievement and close achievement gaps:

- Elementary school science growth of 1.8 years
- Middle school math growth of 1.3 years
- Elementary school math growth of 1.8 years
- Middle school language growth of 1.2 years

(e) Describe the curriculum and basic learning environment (e.g., classroom-based, independent study), including class size and structure for all divisions (elementary, middle, high school) to be served, and explain any differences among the schools being proposed.

CPS will implement the same curriculum and basic learning environment as utilized at CEG schools. All teachers will receive a curriculum map, unit plan, lesson plans, weekly common assessments and the instructional schedule for their content area. These components are described below:

Curriculum Map: CPS teachers will receive a curriculum map to guide their instruction. This document shows the allocation of the instructional year for each content area, standard, and objective. The curriculum map is not a lesson plan. It is a time management tool of what standards will be taught throughout the school year.

Unit Plans: A unit plan sets the goals and pacing for a 9-week interval of time. Key components of the unit plan include the following: Unit Description, Essential Understandings, Critical Skills, Academic Vocabulary, Weekly Standards, and a Unit Toolbox that includes additional resources to support the delivery of the lessons within the unit.

Lesson Plans- Lesson Plans have been written and are aligned to the TN Core Standards and Science Tennessee Standards. These lessons have been reviewed by the Deans of Instruction. Teachers are responsible for identifying the correct responses to questions within lessons as a way of internalizing the lesson content.

Assessments- Weekly common assessments have been created for every subject. Teachers will use these assessments to determine the mastery of skills/standards that have been taught for the week.

Cornerstone Prep School will have at a minimum, 3 homerooms per grade level containing 25 students on average. Students will receive instruction in ELA, Math, Science, Social Studies, Character Development, Writing, Learning Lab and a Special. The instruction in each class contains a mix of direct instruction, group work, independent work and computer-based learning.

- (f) Detail the proposed instructional goals and methods, including specific academic benchmarks.

The proposed instructional goals and methods center around the standards and expectations included in the Teacher Rubric. The teacher rubric measures teacher performance in 5 levels: Novice=1, Emerging=2, Developing=3, Effective=4, Highly Effective=5.

DOIs exercise coaching strategies such as modeling, live coaching, planning, and practice to develop teachers. School leaders expect teachers to earn a minimum score of 3, which indicates developing skill in that area. Below are the proposed instructional goals and methods for the school year.

Core Culture & Academic Foundation		
	Teacher Moves	Content Mastery
August	<p>Goal: Teacher establishes presence and urgency with the following strategies:</p> <ul style="list-style-type: none"> • Clear WTD • Strong Voice • Scan <p>Benchmark: PSC1 A & C=3</p> <p>Goal: Teacher establishes classroom routines and procedures using the following strategies:</p> <ul style="list-style-type: none"> • Do it Again • Emphasis on opening routines and Transitions • Threshold <p>Benchmark: PSC2 B& C =3</p> <p>Goal: Teacher establishes a positive classroom culture through:</p> <ul style="list-style-type: none"> • Integrating school values • Building relationships • Effective morning meetings • Emotional Constancy <p>Benchmark: PSC1 E= 3</p>	<p>Math Goal: Teacher includes time in the lesson to build mathematical habits, establish opening routines with sprint and effectively deliver key points of concept development. Benchmark: PSC2 A:3; DEI1C: 3</p> <p>Science Goal: Establish effective routines for do now and academic vocabulary Benchmark: PSC2 A:3; DEI1C: 3</p> <p>ELA Goal 1: Teacher effectively incorporates and models habits of good readers that support the lesson and text.</p> <ul style="list-style-type: none"> • GBTJ • Accountable talk 1.0 • Read aloud/shared reading/choral read • Think Aloud <p>Benchmark: PSC2 A:3; DEI1C:</p>
Sept	<p>Goal: Teacher employs the following strategies effectively to address student behavior 80% of observations.</p> <ul style="list-style-type: none"> • Standardized Correction • Narration • Proximity • Least Invasive • Non verbal • Small Consequence <p>Benchmark: PSC1 B & D=3</p> <p>Teacher employs the following strategies effectively to increase engagement resulting in the majority of students being on task during a lesson 90% of the time.</p> <ul style="list-style-type: none"> • Everybody Writes • Call/Response • Cold Call • Turn and Talk • Using a timer • Varying voice <p>Benchmark: PSC2 A-D=3</p>	<p>Math: Teacher continues to build mathematical habits and effectively adjust concept development and plan checks for understanding at key points in the lesson. Benchmark: PP1 B,C, & E=3; DEI1 C=3</p> <p>Science: Teacher effectively delivers the key points of the lesson and builds connections with students prior knowledge and/or other content areas were applicable. Benchmark: PP1 B,C, & E=3; DEI1 C=3</p> <p>ELA Goal 1:Teacher effectively models ways for students to annotate and access complex text from the curriculum with various access tasks related to:</p> <ul style="list-style-type: none"> • GBTJ

		<ul style="list-style-type: none"> • Annotating • Accountable talk 2.0 • Chunking text • Read aloud/shared reading/choral read • Think Aloud • Vocabulary <p>Benchmark: PP1 B,C, & E=3; DEI1 C=3</p>
Rigor & Thinking		
Oct	<p>Goal: Teacher employs the following strategies effectively to increase engagement resulting in the majority of students being on task during a lesson 90% of the time.</p> <ul style="list-style-type: none"> • Brighten Lines • Accountable Talk • Right is Right <p>Benchmark: DEI 2A=3 PSC2 C & D=3</p> <p>Goal: Teacher effectively models the key points of a lesson and checks for understanding</p> <ul style="list-style-type: none"> • Think Aloud • Show Call • Circulate • Laps • Level 3 Feedback <p>Benchmark: DEI1 C=3 & DEI3 A=3</p>	<p>Math Goal: Teachers effectively adjust the problem set and use 80-90-100 to anticipate how to respond to misunderstanding in the moment and during reteach.</p> <p>Benchmark: PP2 D=3; DEI1 D=3 & DEI3 C=3</p> <p>Science Goal: Teacher effectively responds to student data by adjusting content and/or adding opportunities for reteach or spiral review.</p> <p>Benchmark: PP2 B=4 & DEI 1=4 & DEI3 B=4</p> <p>ELA Goal 1:Teacher effectively teaches writing by incorporating the following strategies.</p> <ul style="list-style-type: none"> • Model writing • Shared writing • Analyzing exemplars • Time in Ink <p>Benchmark: PP1 B=3; DEI1 C=3</p>
Rapid Feedback: Analyzing Student		
Nov/Dec	<p>Goal: Teacher effectively uses a variety of strategies to respond to student error in the moment.</p> <ul style="list-style-type: none"> • Roll back • 80-90-100 • Use these words • Right is right • Close the loop • Next Question <p>Benchmark: DEI 3 B&C=3</p> <p>Goal: Teacher continues to effectively build engagement with the following strategies:</p> <ul style="list-style-type: none"> • Illusion of speed: brief turn and talks 	<p>Math Goal: Teacher effectively plans and conducts the student debrief and continues to reinforce mathematical habits.</p> <p>Benchmark:PP1 D=3</p> <p>Science Goal: Teacher effectively builds connections between content based lessons and opportunities for hands-on learning.</p> <p>Benchmark:PP1 D=3</p> <p>ELA Goal: Teacher effectively pushes student thinking and builds</p>

	<ul style="list-style-type: none"> Verbally enforce 100% Step by step directions for group work Building connections between content and progress toward individual and class goals. <p>Benchmark:PSC2 B& C=3; PSC 1 A=3; DEI 1A=3</p>	<p>connections around text through effective prompting. (whole and small group)</p> <p>Benchmark:PP1 D=3</p>
Culture Reset		
Jan	<p>Goal: Teacher establishes presence and urgency with the following strategies:</p> <ul style="list-style-type: none"> Clear WTD Strong Voice Scan Standardized Correction Narration Proximity Least Invasive Non verbal Small Consequence <p>Benchmark:PSC1 A, B, C, D=3</p> <p>Goal: Teacher establishes classroom routines and procedures using the following strategies:</p> <ul style="list-style-type: none"> Do it Again Emphasis on opening routines and transitions Threshold <p>Benchmark: PSC2 A-C=3</p> <p>Goal: Teacher establishes a positive classroom culture through:</p> <ul style="list-style-type: none"> Integrating school values Building relationships Effective morning meetings Emotional Constancy <p>Benchmark: PSC1 E= 3</p>	<p>Math Goal: Teacher includes time in the lesson to build mathematical habits, establish opening routines with sprint and effectively deliver key points of concept development.</p> <p>Benchmark: PSC2 A:4; DEI1C: 3</p> <p>Science Goal: Establish effective routines for do now and academic vocabulary</p> <p>Benchmark: PSC2 A:3; DEI1C: 3</p> <p>ELA Goal 1: Teacher effectively incorporates and models habits of good readers that support the lesson and text.</p> <ul style="list-style-type: none"> GBTJ Accountable talk 1.0 Read aloud/shared reading/choral read Think Aloud <p>Benchmark: PSC2 C-D=3</p> <p>ELA Goal 2: Effectively implement ELA curriculum to support Independent reading habits and student engagement when writing.</p> <p>Benchmark: PSC1 C=3, PSC2 C-D=3</p>
Academic Ownership		
Feb	<p>Goal: Teacher effectively uses a variety of strategies to respond to student error in the moment and increase ratio</p> <ul style="list-style-type: none"> Roll back 80-90-100 Use these words Right is right Close the loop <p>Benchmark:DEI 3 B&C=3</p>	<p>Math Goal: Teacher effectively uses reteach time strategically to address exit ticket data, SWYK data and MAP data.</p> <p>Benchmark: PP2 B=3; DEI 1 D=3; DEI 3D=3</p> <p>Science Goal: Teacher effectively uses data to adjust instruction and includes opportunities for reteach.</p>

		<p>Benchmark: PP2 B=3; DEI 1 D=3; DEI 3D=3</p> <p>ELA Goal: Teachers use the LASW protocol to examine student responses to ELA & Writing prompts and determine how to adjust instruction accordingly.</p> <p>Benchmark: PP2 B=3; DEI 1 D=3; DEI 3D=3</p>
Crescendo: Getting TN Ready		
March-Apr	<p>Goal: Teacher effectively uses a variety of strategies to respond to student error in the moment and increase ratio</p> <ul style="list-style-type: none"> • Roll back • 80-90-100 • Use these words • Right is right • Close the loop <p>Benchmark:DEI 3 B&C=3</p>	<p>Math Goal: Teacher effectively uses reteach time strategically to address exit ticket data, SWYK data and MAP data.</p> <p>Science Goal: Teacher effectively incorporates academi</p> <p>ELA Goal: Teachers use the LASW protocol to examine student responses to ELA & Writing prompts and determine how to adjust instruction accordingly</p> <p>Benchmark: PP2 B=3; DEI 1 D=3; DEI 3D=3.</p>
Readiness		
May	<p>Goal: Teacher effectively uses a variety of strategies to respond to student error in the moment and increase ratio</p> <ul style="list-style-type: none"> • Roll back • 80-90-100 • Use these words • Right is right • Close the loop <p>Benchmark:DEI 3 B&C=3</p>	<p>Math Goal: Teacher effectively uses reteach time strategically to address exit ticket data, SWYK data and MAP data.</p> <p>Science Goal: Teacher effectively incorporates academi</p> <p>ELA Goal: Teachers use the LASW protocol to examine student responses to ELA & Writing prompts and determine how to adjust instruction accordingly</p> <p>Benchmark: PP2 B=3; DEI 1 D=3; DEI 3D=3.</p>

These teacher goals and benchmarks align with student academic goals. Every student takes the NWEA MAP assessment during the first three weeks of school. The results provide the baseline for every student. Teachers and administrators create mid-year and end of year goals for each student based on their baseline assessment, which includes a minimum of 1.3 years of growth for students below grade level and at least 1.0 years of growth for students at or above grade level. These goals translate into SWYK and interim goals for students, which school leaders reference during weekly data and coaching meetings with teachers. When implemented properly, the combination of teacher goals and benchmarks over the course of the year support the growing academic achievement and goals of the students.

- (g) Explain why the instructional strategies and proposed curriculum are well-suited for the targeted student population.

CEG currently serves a population like the population targeted for CPS. CEG results over the last four years proves the model works for this student population. As noted in 1.3 (a) and (b), the instructional blueprint provides a variety of resources and interventions to address the need of diverse types of learners and learners at a variety of academic levels.

- (h) Explain how the academic plan aligns with Tennessee's academic standards.

CEG founding leaders built the academic blueprint based on Tennessee's academic standards. Therefore, the curriculum map, lesson plans, daily, weekly and interim assessment all support the Tennessee academic standards. CEG results on TCAP and TN Ready confirms the successful alignment between the academic plan and Tennessee's academic standards.

- (i) If your academic plan includes blended learning, describe which blended learning model the school will use (i.e., online content in various lessons only, a single course, or an entire curriculum), the role of the teachers within the blended learning environment and explain

how and why this approach will drive academic gains and close the achievement gap with the targeted population of students, using the latest data analyses and research.

CEG does not employ a blended learning approach. However, the CEG academic blueprint acknowledges the digital divide between low-income and high-income students. To bridge the digital divide, CPS will ensure that teachers utilize 21st century technology in their classrooms. Teachers integrate technology in the classroom through a variety of tools such as: Laptops, Chromebooks, Doc Camera, Audio Station Computer, headphones, microphones and I-Ready software

During most every learning block, students will engage with computers during independent work time or on group projects, in addition to the technology used by the teacher during instruction. The students may be utilizing technology for personalized learning on I-ready based on the student's learning level, MAP resources again based on the student's actual MAP scores or to complete a group or independent work project.

CPS requires all students 6th, 7th and 8th graders to take a Computer Science course designed to enhance their technology skills. The Computer Science Teacher teaches students how to use Microsoft Office tools such as Microsoft Word, Excel and Power Point. During summer PD and throughout the school year, teachers will be trained on how to incorporate technology into student learning experiences.

- (j) Describe the school's approach to help remediate students' academic underperformance.
(k) Describe methods for providing differentiated instruction to meet the needs of all students, including plans for Response to Instruction and Intervention (RTI²) that aligns with Tennessee guidelines.

CEG uses the RTI process to help remediate students' academic underperformance and differentiate instruction to meet the needs of all students in a manner that aligns with Tennessee guidelines. RTI incorporates a multi-tiered model of service delivery in which each tier represents an increasingly intense level of services associated with increasing levels of learner needs. At Cornerstone Prep School, students will receive the most appropriate interventions through the following process:

- Universal Screening
- Implementation and documentation of Interventions
- Progress Monitoring
- Fidelity Checks
- RTI Data Meetings
- CST Meetings

Universal Screenings of all students will be conducted three times per academic year. Screening instruments will be valid, reliable and aligned with grade level core curriculum based on TN Core Standards and Tennessee Standards. Because some schools have a large number of students who fall below national norms, we will use relative norms to guide the selection of intervention groups. Relative norms compare a student's performance to other students in his/her school. If a school has a high population of struggling students, relative norms allow a school staff to determine which students have the greatest need for intervention. We use this to serve students that are most at risk when all at risk students cannot be served. The Screening Tools that will be used are the following:

MAP: Northwest Evaluation Association's (NWEA) computerized Measures of Academic Progress is given 3 times per year-August, December, May. MAP provides teachers, students, and parents with an accurate assessment of student progress in mastering the basic skills. When administered at regular intervals over time, it is possible to find out whether an individual student, or an entire grade level, is making satisfactory progress in these basic skill areas. Teachers can use this assessment information for instructional planning for individual students or an entire class.

CBM probes: For those students who are identified as needing Tier II and Tier III interventions, CBM probes are administered through Fastbridges.

Vision and Hearing Screenings: Ensure that students who have been identified as needing Tier II and Tier III interventions have vision and hearing screenings on file.

After the administration of the probes and the identification of the areas of need, interventions will be selected to begin addressing the deficits. Capstone Education Group provides intervention resources to all schools. The following interventions are Tier II and Tier III interventions that are available to CPS:

- I Ready Common Core Lessons: provides teachers with an action plan for individual and group instruction as well as the tools to deliver that instruction in any style learning environment. The domains addressed in the lessons include the following: Phonological Awareness, Phonics, High-Frequency Words, Vocabulary, Comprehension: Literature, Comprehension: Informational Text.
- Reading Mastery: Reading Mastery helps students develop into fluent, independent, and highly skilled readers with this Direct Instruction reading intervention program. It provides targeted instruction related to the skills and information presented in Reading Mastery® Signature Edition and Corrective Reading Decoding. It helps students meet the rigorous CCSS in vocabulary, writing, and comprehension through explicit instruction, modeling, guided practice, and independent practice.
- Corrective Reading: Corrective Reading is a powerful Direct Instruction remedial reading series that solves a wide range of problems for struggling older readers, even if they have failed with other approaches. Explicit, step-by-step lessons are organized around two major strands, Decoding and Comprehension, which may be used separately or together to customize instruction for particular student needs. Each strand of Corrective Reading has four levels that teach foundation skills for non-readers to seventh grade level material – potentially all in about 2 1/2 years.

Tier III Interventions are designed for students who still have considerable difficulty in mastering necessary academic and/or behavioral skills, even after Tier I and Tier II instruction and interventions. Intensive, systematic, specialized instruction is provided, and additional data is collected to inform next steps for students. Tier III Interventions that will be available to CEG schools are:

Words Their Way: Words Their Way is a foundational program that helps students develop those foundational skills targeted in the Common Core State Standards (CCSS). Specifically, Words Their Way supports the CCSS's Reading Foundational Skills and Language Standards in Grades K–5. The depth and breadth of word knowledge developed through the Words Their Way approach to word study also supports the Common Core's emphasis on students' reading more complex literary and informational texts.

Wordly Wise: Wordly Wise is a program that focuses on the teaching of spelling and vocabulary. Books A through C (for grades 2–4) introduce 300 words and books 1–9 (grades 4–12) 3,000 words, all with exercises.[1] As well as spelling and meaning, the books cover the etymology of and the stories behind the words discussed.

40 Reading Intervention Strategies for K-6 Students: 40 Reading Intervention Strategies for K-6 Students, provides a well-rounded collection of research-based reading intervention strategies that can be used by classroom teachers, interventionists, Title I, special educators, and ELL teachers seeking to support struggling readers in their classrooms and schools. It also provides teacher-friendly sample lesson plans and mini routines that the classroom teacher can readily understand and adapt.

Progress monitoring is a scientifically based practice that is used to display students' growth over time in order to determine if the student is progressing as expected in the curriculum. Academic Interventionists and/or teachers will assume the responsibility for progress monitoring and documenting and reporting of student progress to the RTI team. Progress monitoring must be conducted with measures that are at a student's skill/instructional level as determined by MAP. A minimum of 8-10 data points is required in order to make a data-based decision to change students to a different tier. Schools should select the same day each week to progress monitor for consistency of data and instruction.

Fidelity checks are the systematic monitoring by an instructional leader (e.g: Principal, DOI, DAA, etc) to determine the extent to which the delivery of an intervention adheres to the protocols of the program.

RTI Data Meetings helps teachers review, adjust, replace or develop interventions for Tier II and Tier III students. Progress monitoring data is reported out to determine whether students who receive interventions are on track to meeting learning goals. RTI Data Meetings are led by DOI's or academic interventionists and includes classroom teachers. Academic interventionists are responsible for overseeing the RTI data, processes, scheduling for their grade level.

1.4 Academic Performance Standards

In this section:

- (a) Describe the proposed charter school's annual and long-term academic achievement goals, in measurable terms.

Cornerstone Prep School's annual academic achievement goals are as follows:

- Ensure that all students currently below grade level grow at least 1.3 years as measured by NWEA's MAP, closing their existing achievement gap
- Ensure that all students currently on grade level grow at least 1.0 years as measured by NWEA's MAP, keeping them on track for college
- Ensure that an increasing number of scholars are moving towards mastery and on track levels on TN Ready by adding 5 percentage points annually to the previous year's percentages in the Approaching, On Track and Master categories until surpassing the SCS district average
- Earn a minimum TVAAS score of 4 every year

The enrollment policies will mean every year will include new students. Therefore, the academic needs and baseline student mastery levels will be different every year, based on the new cohort of students. Therefore, the long-term goals will align with the short-term goals, focusing on growth for every student and ever-increasing mastery based on the baseline for new students.

- (b) Describe the process for setting, monitoring, and revising academic achievement goals.

For returning students, CPS will analyze prior year results from TCAP/TN Ready, NWEA's MAP, data from weekly Show What You Know Quizzes and 9-week interim assessments to create a baseline for each student. For all new students, CPS will analyze prior year results from TCAP/TN Ready and the baseline NWEA MAP scores obtained during the first three weeks of school to create a baseline. Teachers and leaders analyze the data by student, class, subject, grade and school to create individual student goals and overall class and grade goals. Teachers further disaggregate the data by subgroups (for example, EL, SPED, etc.) to set goals for students and groups in these subsets.

Based on this data, school leaders work with CEG leaders to identify areas of strength, growth, and improvement and then prioritize needs for each school. CEG leaders meet with school leaders to discuss their progress towards the school's goals and develop strategies that will be used to address the school's work towards the goals. These meetings occur as often as weekly but no less than twice per month, depending on the data available.

Then, at midyear, CEG leaders review the midyear data, including interim and the second NWEA MAP assessment, to determine if goals need to be adjusted for the remaining school year.

- (c) Describe corrective action plans if school falls below state and/or district academic achievement expectations.

Capstone Education Group strives to ensure that all schools equip students with the Wisdom and Knowledge necessary to succeed in college and to become leaders in their communities. This requires the commitment from all CEG staff to invest the time and effort necessary to make this mission a reality.

In the case that CPS falls below state or district academic achievement expectations, CEG leaders will meet with the school leaders to identify which part of the blueprint is not being executed effectively. CEG leaders would build a plan with school leaders to address the blueprint elements needing improvement and then create daily and weekly checkpoints to review those. Checkpoints typically include leadership team classroom walkthroughs, and daily and weekly data reviews.

The corrective action plans would most certainly include individual teaching coaching plans and practice during planning periods or before and after school, schoolwide professional developments on Fridays, teacher and/or leader walkthroughs at another successful CEG school and leader coaching sessions throughout the week with the Director of Schools and Director of Academic Achievement.

CEG and CPS leaders will build the corrective action plan around the following core blueprint pillars:

Purposeful Planning: Refers to everything that teachers and leaders do to ensure that curriculum is implemented effectively. For teachers, this is defined by our intellectual prep process which includes the planning and practice that is required on a daily, weekly and unit basis. For leaders, it includes facilitating teacher planning and practice, providing feedback as well as performing and reviewing audits of the curriculum across content and grade levels. Sample goals that support this area include the following: Teachers plan rigorous instruction for all students and Plans include appropriate scaffolds for rigor.

Rapid Teacher Development: Effective teachers are the strongest drivers of student achievement our ability to meet our mission depends on our success in developing our teachers. We support rapid teacher development through coaching and professional development. Sample goals that support this area of improvement include the following:

- School leaders spend 70% of their time in classrooms providing direct support to teachers.
- Coaching strategies for teachers will include modeling, live coaching, co-planning sessions, observations and feedback.

Data Driven Instruction: This is the systematic process of teaching that uses the results from student assessments to plan instruction. Research has shown this process to be an effective way to accelerate student achievement. Successful data-driven instruction depends on four fundamental keys: assessment, analysis, planning and implementation. Sample goals that support this are the following:

- School will increase proficiency on weekly SWYK by minimum of five percentage points.
- School will implement data meeting using data meeting protocol and processes.

Efficient Systems: School articulates, executes and supports common language, routines and systems necessary to deliver effective instruction and an excellent culture in every classroom as found in the culture blueprint.

Powerful Student Culture: School will equip staff with the necessary skills to create a classroom and school culture that reflects core values found in the blueprint with an “every adult matters” mindset.

The creation, implementation and monitoring of the Corrective Action Plan will be led by a member of the CEG Leadership Team with weekly school-level leader check-in meetings for updates on the Corrective Action plan.

- (d) Describe goals for student attendance and explain how the school will ensure high rates of student attendance. Include plans for identifying and addressing chronic absenteeism.

CEG recognizes attendance is a key factor in student achievement. Therefore, CEG creates clear expectations and systems around daily student attendance. In short, CEG expects students to be present and on-time each day that school is in session unless they are sick. CPS will have an attendance goal of 95%. To ensure high rates of student attendance, CEG employs a Manager of Student Information and Business Systems. This person works with parents and the school staff to design and execute systems to meet the 95% attendance goal each day. With the collaboration of an office staff member and Communities in Schools, the Manager of Student Information and Business Systems review the daily attendance and tardy information input and make phone calls to the home

of every absent student. CEG contracts with Communities in Schools at each campus location. CIS supports schools with academics, behavior, and family engagement. For example, Never Been Absent (NBA) is an initiative fostered through Communities in Schools to maximize instructional time for students by incentivizing students to go to school. Incentives include school wide competition between grade levels, random drawings, jeans passes, special lunches, etc. CPS will work with these groups, as well as other CEG schools, to design and implement effective strategies for maximizing student attendance.

For students who are consistently tardy or have 5 unexcused absences, the following attendance procedures will be implemented:

- Formal written communication from the school to parents/guardians informing them of their noncompliance with compulsory attendance laws, the consequences for failing to comply, and a request to participate in a school-level meeting to develop a plan to support the student's regular attendance. The plan shall be signed by the student, parent/guardian and Principal and included in the student's file.
- The student's truancy will be reported to the TN Department of Education via the school's weekly EIS transmission on student attendance, including the required transmission on student truancy that exceeds five unexcused absences.
- All other forms of communications from the school to parents/guardians regarding student truancy may be conveyed in the form(s) that best meet student and school needs. Documentation of communication attempts and outcomes must be kept in the student's file, accessible by authorized district, state, community agency and law enforcement officials, upon request.

(e) Explain how students will matriculate through the school (i.e., promotion/retention policies and graduation requirements).

Cornerstone Prep School will have rigorous standards for promotion. All students must earn promotion by demonstrating mastery of the essential knowledge and skills required. Promotion decisions will be based on student grades, standardized test scores, attendance, homework completion record, and other measures. CPS will look thoughtfully at student test scores, examples of student work, teacher observations, and other measures to make these decisions. A student may be retained for excessive excused or unexcused absences in a school year and/or having significant behavior problems that result in a lot of missed instruction time. Attendance and behavior interventions will be implemented from the onset of the concern (meeting with attendance manager, incentives for positive behavior, social skills classes, etc.) These concerns will be weighed on an individualized basis based on communication and the involvement of the parent/guardian.

Students who have IEPs will be promoted to the next grade based on successful completion of the goals of the IEP. However, students with IEPs who have significant attendance or behavioral problems unrelated to their IEPs may be retained for these reasons. The following expectations are considered when determining if a student with a disability will be retained:

- The IEP team should consider the student's growth on IEP goals and the student's performance levels on cognitive assessments.
- IEP teams should also consider the question: Will another year in the same grade lead to the student's ability to gain further access to and/or excel in the general education curriculum? If no, retention is likely not appropriate for the student. If yes, retention may be appropriate for the student.

The parent or guardian has the right to appeal the school's decision to promote or retain a student. Parents should direct their concerns to the appropriate person or department identified in the school's internal grievance policy.

- (f) Provide the school's exit standards for students. These should clearly set forth what students in the last grade served will know and be able to do.

CPS eighth grade students have the same exit expectations as all other grade levels. All students must earn promotion by demonstrating mastery of the essential knowledge and skills required. Promotion decisions will be based on student grades, standardized test scores, attendance, homework completion record, and other measures. We will look thoughtfully at student test scores, examples of student work, teacher observations, and other measures to make these decisions. A student may be retained for excessive excused or unexcused absences in a school year; having significant behavior problems that result in a lot of missed instruction time; or persistent trouble completing homework assignments. Prior to making the final retention decision, the following interventions will be put in place:

- Attendance Check-In Meetings with both parent and student
- Implementation of Behavior Interventions and (Check-In Check-Out, Behavior Intervention Plans)

1.5 Phase-In/Turnaround Planning (for applicants proposing a conversion)

CEG is not proposing a phase-in/Turnaround school.

1.6 High School Graduation and Postsecondary Readiness (high schools only)

CEG is not proposing a high school and therefore this section is not applicable.

1.7 Assessments

Charter school students must take the same State-mandated assessments as students in other public schools. Charter schools also administer additional interim assessments. In this section:

- (a) Identify the primary interim assessments the school will use to assess student learning needs and progress throughout the year. Explain how these interim assessments align with the school's chosen curriculum, performance goals, and state standards.

CEG defines an interim assessment as a form of assessment that educators use to (1) evaluate where students are in their learning progress and (2) determine whether they are on track to performing well on future assessments, such as standardized tests or end-of-course exams. Cornerstone Prep School teachers will administer Exit tickets, Show What You Know Quizzes (SWYK) and CEG Interim Assessments to assess student learning needs and progress throughout the school year. All these assessments align with the curriculum map and Tennessee state standards and therefore provide accurate data on the students' progress towards mastery of state standards.

An Exit Ticket is an assessment administered to students at the end of every lesson in ELA, Math Science and Social Studies classes. It is an assessment with 3 questions that are directly linked to the lesson objective. The lesson objective is connected to a Tennessee Standard, but focuses on a small portion of the standard. As students complete an exit ticket, they are expected to hand in their exit ticket as they leave the classroom or when the lesson ends. Educators will immediately score the exit tickets and use this data to verify whether a student can solve a problem or answer a question based on the lesson. Results from the exit tickets should assist to drive the questions for the following lessons Do Now or warm-up.

Show What You Know Quizzes (SWYK) are weekly assessments that assess student's knowledge of several skills/objectives that have been taught during the week. The skill/objectives to be assessed should be articulated prior to the assessment. The SWYK should include "standardized test language" in the directions and mirror standardized test format. Educators will create the SWYK Quizzes using the approved network item bank. Educators should include questions that address all levels of rigor based on Webb's Depth of Knowledge. The DOIs will approve the SWYK quiz before administration. The expectation is that SWYK Quizzes are graded by the end of the day when the assessment was administered. Results from the SWYK will drive the focus of weekly Data Meetings.

Teachers administer Interim Assessments every 9 weeks to assess the standards that have been taught during the 9 weeks in ELA, Math, Science and Social Studies. These assessments evaluate the learning progress of students and determine whether they are on track to performing well on TN Ready. The Director of Academic Achievement creates and distributes the assessments to schools.

CEG and school leaders review data from these assessments, comparing them to the goals and priorities of the school, and adjust as necessary to ensure that the students reach their individual goals and are progressing towards mastery on the state assessment.

- (b) Explain how the school will measure and evaluate academic progress of individual students, student cohorts, sub-groups, and the entire school throughout the school year, at the end of the academic year, and for the term of the charter agreement.

In addition to Interim Assessments described above, CPS will use MAP and I Ready assessments to measure and evaluate academic progress of students, student cohorts, sub-groups and the entire school throughout the year.

NWEA's Measures of Academic Progress (MAP), is administered during the Fall, Winter and Spring. MAP assesses students in Reading, Language, Math and Science. In Reading, the areas that are assessed are Word Recognition, Structure and Vocabulary, and Reading Informational Texts. The Language assessment addresses Craft Structure and Evaluation, Grammar and Usage, and Writing Conventions. The areas addressed in Mathematics include Algebra, Geometry, Measurement, Problem Solving, Reasoning, and Proofs. Finally, in science the areas that are assessed are life

science, earth and space science, and physical science. As students answer questions correctly or incorrectly, the rigor of the questions either increases or decreases. Once a student completes the MAP assessment, they receive a RIT score. The RIT score indicates not only the level that the student is performing on, but also identifies the key skills that students will work on throughout the year. Teachers will use this assessment information for instructional planning for individual students or an entire class.

I Ready is an adaptive diagnostic that pinpoints student needs down to the sub-skill level and gives teachers an action plan for the success of each student. To build this instructional plan, I-Ready diagnoses student performance by domain across multiple grade levels, with questions getting easier or harder based on a student's answer to the previous question. This assessment provides the data I-Ready needs to create an individualized learning trajectory for all students. This assessment is administered 3 times a year (Fall, Winter and Spring.)

These assessments, combined with the data explained in 1.7, provide significant, consistent, systematic measures to evaluate academic progress of individual students, student cohorts, sub-groups, and the entire school throughout the school year.

All data is analyzed during weekly data meetings. During this meeting, all teachers, including Special Education teachers and EL teachers, will come prepared to discuss the performance of their students and identify instructional strategies for reteach, remediation or acceleration.

At year-end, CEG and school leaders review all data points, analyzing individual students, student cohorts, sub-groups, and the entire school to ensure they school has successfully executed the blueprint and to make any changes necessary for the following year.

- (c) Identify the person(s), position(s), and/or entities that will be responsible and involved in the building testing coordination.

The chart below displays the person, position and responsibilities of those staff members responsible for building test coordination.

Position	Level	Responsibilities
Director of Academic Achievement	Charter Management Organization	<ol style="list-style-type: none"> 1. Creates assessment window for the school year 2. Creates Interim Assessment 3. Delivers Interim Assessments to schools
Dean of Operations	School Based	<ol style="list-style-type: none"> 1. Uses assessment window to create assessment schedule for schools
Dean of Instruction	School Based	<ol style="list-style-type: none"> 1. Ensures that teachers administer the assessment. 2. Ensures that teachers score assessments within the designated scoring windows.

- (d) Explain how the school will collect and analyze student academic data, use data to inform and improve instruction, and report that data to the school community.

Cornerstone Prep School uses Illuminate, Fastbridges, PowerTeacher and Live School to collect and analyze data. These tools are described below:

Illuminate is the organizations assessment dashboard that houses all weekly common assessments and interim assessments. After teachers administer and scores assessment, the scoring tool in Illuminate allows for teachers to receive real time data immediately. This data will be analyzed during data meetings with teachers and school leaders.

Fastbridges houses Tier II and Tier III assessment resources. AReading and AMath are the diagnostic assessments that identifies specific skills to address for intervention. CBM is the progress monitoring tool that is used to monitor student's response to the prescribed interventions each week. During RTI data meetings, students' progress is discussed to determine whether the intervention is appropriate. Adjustments are made to the intervention and the area being monitored based on students' scores over a 4-week period.

Power Teacher is CEG's online grade book. Teachers use Power Teacher to input grades from classwork, homework and weekly assessments.

Live School is CEG's online culture tracking system. CPS teachers will use Live School to input merit and demerits each day. Teachers and leaders use various Live School reports and information to identify individual students, teacher and cohort performance and needs. Live School reports will be distributed bi-weekly as an update on student behavior.

CPS will conduct weekly SWYK quizzes, monthly RTI Data meetings, and quarterly Interim Assessments. Based on these data points, teachers and school leaders work together to discuss next steps for instruction. School leaders facilitate these meetings as described in Section 1.7 (g) of this application.

Student performance will be communicated to guardians and students bi-weekly through the distribution of Student Reports, mid-quarter through progress reports and at the end of each quarter through report cards. These reports will include an update on academic performance through the reports from Power Teacher and an update on behavior through Live School Reports. In addition to those reports, parent teacher conferences will be held four times each year. These meetings are for face to face communication between the teacher, parent and/or other school leaders on the performance of students. This built-in system will allow parents to have multiple opportunities throughout the school year to receive an update on their child's performance. Results from state assessments are publicized and disseminated to parents, staff and community members for stakeholders to continually refine the instructional program of the school. This information is communicated through the parent newsletter, the annual TSIP process, Open House and Title 1 meetings.

- (e) Identify the person(s), position(s), and/or entities that will be responsible and involved in the collection and analysis of assessment data.

Classroom teachers, school leaders, Director of Data and Operations, and the Director of Academic Achievement collect and analyze assessment data.

- (f) Describe the process for collecting data, interpreting it for classroom teachers, and leading or coordinating professional development to improve student achievement.

The academic blueprint contains the process in which data is analyzed, interpreted and connected to professional development. The table below describes this for each assessment.

Assessment	Frequency	Data Analysis	Professional Development
SWYK	Once a week	On Fridays, SWYK quizzes are administered to students. By 1:00 pm, all teachers will score these assessments using Illuminate scanning tool in order to have data. Weekly data meetings will occur on Fridays to discuss student performance on SWYK quizzes. Directors of Instruction in ELA/SS and Math/Science, will lead these data meetings. Teachers will share out the percentage of students that were either proficient or advanced, and discuss next steps to support students that struggled with the standard. The information gained from the data meetings will be used to inform reteaching	Based on student performance and overall trends, the DOI will provide teachers a plan for improving based on the data from each assessment. The development plan could include a variety of strategies that could be implemented during individual planning periods, before or after school or during the weekly Friday PD time. In almost all cases, the DOI will provide teachers with strategies that should be incorporated during reteach. The DOI will model for the teacher the strategy and teachers spend time practicing the strategy in front of their peers.
RTI Data Meetings	Once a month	RTI Data Meetings helps teachers review and develop interventions for Tier II and Tier III students. Progress monitoring data is reported out to determine whether students who receive interventions are on track to meeting learning goals. RTI Data Meetings are led by DOI's includes classroom teachers. Teachers are responsible for overseeing the RTI data, processes, scheduling for their grade level.	
Interim Assessments	Once a quarter	Every nine weeks, interim assessments are administered to garner student performance on the targeted standards for the unit. Once Interim Assessments are administered, teachers scan the assessments using Illuminate's scanning tool in preparation for the Interim Assessment Data Meeting. Prior to the Data Meeting, DOI's will review all interim assessments. The outcomes of the interim assessment data meetings are for teachers to: <ul style="list-style-type: none"> 1. Identify the target standards to address and assess. 	

		2. Create Corrective Action plans to address the identified skill/standard.	
MAP Data Meetings	3 times a year	<p>Student use the online portal of MAP to assess their skills. MAP assessments are computer adaptive and produce accurate, reliable data that reveal the precise learning level of every student, regardless of the student's ability or grade level. MAP identifies areas of strength and opportunity at the goal level of a subject, as well as overall performance.</p> <p>During MAP Data meetings, teachers will analyze MAP data and determine the skills that will need to be addressed based on students' performance. From these meetings, MAP action plans are created to identify when the skills will be taught or embedded within the curriculum.</p>	

- (g) Explain the training and support that school leadership and teachers will receive in analyzing, interpreting, and using performance data.

CEG equips leaders and staff with appropriate resources and tools to help make the mission a reality. Significant time is invested on professional development for leaders in analyzing, interpreting and using performance data. All Capstone Education Group leaders are expected to participate in one week of Leadership Training in the summer. During this training, essential tools such as the use of Illuminate and expectations for conducting Data Meetings will be discussed and practiced. These sessions will be facilitated by the Directors of Academic Achievement, Director of Schools and the Executive Director. During these sessions, CEG leaders review prior year leading indicator data, which includes student and staff attendance, teacher and student turnover, tardy, merits and demerits, suspensions, and other leading indicators. Then, the group reviews lag indicators, which include primarily daily, weekly, interim and year-end student achievement. During these sessions, CEG leaders discuss how to interpret and apply the data, adjusting either the blueprint or the plans to execute the blueprint for the following year. During the year, CEG and school leaders meet bi-monthly to analyze, interpret and create plans based on the data.

CEG leaders then train school leaders how to use data to drive in instruction. CEG leaders provide training on how to use the Illuminate system, the dashboard that stores student performance data. Secondly, CEG leaders equip school leaders with tools to lead a data meeting which will require participants to review previous assessment data, determine strategies to address misconception and then use the data meeting protocol to facilitate the meeting. Each leader will have a chance to analyze data and lead a session. Participants will give each other feedback on their ability to identify the appropriate areas of concern.

At that point, all school leaders have been equipped in using data to drive decision-making. During summer professional development, these leaders train teachers on Illuminate, how to analyze data and how to participate in a CEG data meeting.

1.8 School Calendar and Schedule

In this section:

- (a) Provide the annual academic calendar for the school as **Attachment A**.
- (b) Explain how the annual academic calendar reflects the needs of the academic program.

The academic calendar reflects the needs of students primarily from low income families and who are mostly below grade level. To meet these needs, the academic calendar contains 3 weeks of summer professional development, an extended school day, daily planning sessions for teachers, 1-4 full professional development days during the school year and 2.5 hours of weekly Friday professional development. These elements provide the extra practice and support time necessary to meet the wide range of academic and social needs of students. Because students enter school below grade level, CEG must quickly equip teachers with the tools to understand their content and learn behavior management strategies, differentiation strategies, how to use data to drive instruction and how to build positive relationships with students.

To help parents who may have other children at SCS schools, most of the academic calendar is modeled after Shelby County School's traditional school year calendar. This allows parents to coordinate days schools is in session, transportation, after school care and other life issues. The primary variation is that CEG schools will have weekly Friday Professional Development days in which students are released early.

- (c) Describe the structure of the school day and week. Include the number of instructional hours/minutes in a day for core subjects such as language arts, mathematics, science, and social studies. Note the length of the school day including start and dismissal times.
- (d) Explain why the above schedule will be optimal for student learning. Provide the minimum number of hours/minutes per day and week the school will devote to academic instruction in each grade. Summarize how you will plan time for tiered interventions, enrichment, tutoring, and other academic activities.

CPS will use the same schedule as the current CEG schools. The school day will begin at 7:00am with breakfast and instruction will begin at 7:20. Dismissal occurs at 3:30 Monday-Thursday while Friday dismisses at 1:30 so that staff have 2.5 hours of Professional Development time.

The schedule optimizes student learning through an extended school day. Compared to other schools, CPS students will receive significantly more instructional time. Here is a schedule with minimum number of minutes per day for the core subjects Monday through Thursday:

Subject	k-2 mins	3-5 mins	6-8 mins
Math/Calendar math	80	90	70
ELA/Writing/Reading	240	90	90
Science	15	45	70
Social Studies	0	45	70
Reteach/Intervention/learning lab	30	80	60
Total	365	350	360

Here are the minimum times for core classes on the shortened Friday:

Subject	k-2 mins	3-5 mins	6-8 mins
Math/Calendar math	80	90	70
ELA/Writing/Reading	150	90	90
Science	0	45	70
Social Studies	0	45	70
Reteach/Intervention/learning lab	0	0	0
Total	230	270	300

Tiered interventions are built into the schedule through Learning Lab. Students receive varying amounts of intervention based on grade level in a day which includes enrichment for students who are on grade level or above.

All students have access to after school tutoring each day based on the teacher's office hours or scheduled Saturday tutoring. Each subject area teacher has assigned Office Hours in which they will dedicate their time to tutoring in their area of need.

- (e) Describe a typical school day for a teacher and a student during the school's first year of operation.

It is 6:45am, Ms. Jenkins, the 1st grade teacher, is in her classroom, making sure she was prepared for the day's lessons. She made her copies the night before and had neatly written her daily objectives on the board. As she straightened the student's desk, she made sure that the desks were in a straight line.

Outside, CPS students wait eagerly for the school doors to open. A first-grade student (let us call her Layla), is making sure that her black polo shirt is neatly tucked into her khaki pants. At 7:00am, the door is opened by the Assistant Principal. Layla walks silently to the front door, where the Assistant Principal stands. The Assistant Principal extends a hand and asks, "Are you ready to do your best today?" Layla knows she must give a firm handshake, be dressed appropriately in uniform with shirt tucked in and shoelaces tied. She looked the Assistant Principal in the eye, and responded in a professional voice "Yes, I am ready to do my best today."

Layla silently makes her way to her homeroom class, University of Maryland, where she is greeted at the end of the hallway by the school counselor, Ms. Jones. "Good morning Layla are you ready to do your best today?". Layla, looked the Counselor in the eye, and responded in a professional voice, "Yes, I am ready to do my best today."

"Great. I know you can. Here is your point sheet for today." Ms. Jones stated. Layla retrieved the point sheet.

She remembered that she had behavior goals that she wanted to meet so she can get her treat at the end of the day from Ms. Jones. Layla reminded herself of her goals, don't call out in class and always raise your head to speak. As Layla enters her homeroom class of University of Maryland, Ms. Jenkins, gives her a warm smile. she puts her homework in the homework tray, grabs her breakfast, and makes her way to her seat in the classroom. She places her backpack on the back of her chair. After consuming a healthy breakfast, Layla places her trash in the receptacle and selects the grade-level appropriate Brainwork assignment.

At 7:10, Ms. Jenkins is in the front of the class ready for the Community meeting. Today is Monday, so we are going to discuss Current Events. Ms. Jenkins showed a food commercial and asked students their thoughts and how it reflected images of African American people. Several students made great connections to other commercials and even books they read this year.

At about 7:20, it is now time to start the daily lessons. Ms. Jenkins passed out a “Do Now” and told students they had 5 minutes to complete the assignment. After completing the “Do Now” assignment, the students reviewed their answers and a fast paced, engaging Science session occurs. The teacher used the gradual release of responsibility model to inform instruction. After about 30 minutes, students were broken into small groups, where Layla received individualized instruction and then used a white board to practice the skill or standard.

It is 8:34am and now time to transition to her second period class, Learning Lab. Ms. Jenkins asks students to return to their seats. She displays the learning lab group rotations on the screen to remind students the teachers that they will be going to. Layla will be going to Mr. Mack for math instruction, she is in Learning Lab Group C. Ms. Jenkins is the Learning Lab Group B teacher for math. The ELA and Social Studies teachers teach ELA lessons and the Math and Science teachers teach math lessons. “Learning Lab group C, please line up quietly in 5, 4, 3, 2, 1.” As Ms. Jenkins counted down, Layla quickly and quietly headed towards the door and lined up by the door waiting for the next set of directions. “You may exit the class”, Ms. Jenkins stated.

Layla quickly entered Mr. Mack’s class and headed straight to her station, which was the computer station. She logged onto the computer and put on the headphones and began her lessons on I-Ready in Math. She was to remain at the station for 20 minutes. After about 18 minutes, Layla hears the chime of the bell, ding. She knows that this is the reminder bell to begin cleaning up in preparation for the next rotation. The bell chimes three times. It is time to rotate to her next station. Layla is now going to Mr. Mack’s teacher led station, where the lesson for the day was a reinforcement of the standard for that week. After 20 minutes, rings the bell for the cleanup reminder and then three bells, to rotate. The last station for the day is independent work where she sits at her desk to complete her work by herself. After 20 minutes, Mr. Mack rings the bell for the cleanup reminder and then three bells. It is now time to rotate to either your seat if you were to stay in Mr. Mack’s class for the next class or line up to go to another teacher.

Layla’s next class was Math class, so she transitioned back to her classroom. She looked at her Behavior chart and raised her hand to remind Mr. Mack to give her points for her behavior in learning lab. She earned 2 points, which meant that she was well behaved. She smiled happily and placed her point sheet into her backpack and continued reading. “A responsibility merit goes to Layla for reading quietly as we wait for University of Maryland to enter”. Mr. Mack entered the merit onto Live School, the behavior tracking system for students.

By 9:32, all University of Maryland homeroom students were now in Math class. “Good morning class, please take 5 seconds to take out your pencil and place it on your desk in 5, 4, 3, 2, 1. If you do not have a pencil please raise your hand and I will give you a pencil.” Mr. Mack scanned the room, and everyone had a pencil. Great job University of MD. Everyone is prepared for class. You have earned a class merit for being Responsible.” He writes 1 point onto the class point sheet tracker that is on the board. At the end of the week, the counselor collects the point sheet. The first homeroom that gets to 50 points will be going on a special trip.

By 9:34 am, Mr. Mack passed out a “Do Now” and told students they had 5 minutes to complete the assignment. After completing the “Do Now” assignment, the students reviewed their answers and a fast paced, engaging Math lesson. The teacher used the gradual release of responsibility model to inform instruction. After about 30 minutes, students were broken into small groups, where Layla received individualized instruction and then used a white board to practice the skill or standard.

Layla continued to follow her schedule, her next class at 10:46 am was her Social Studies class which followed the same instructional flow. Do Now, followed by high energy lesson.

At 12:00pm, it was time for lunch. Teachers escorted the students to the cafeteria. At this time, Layla was able to sit with her friends that were in other classes, and teachers had their lunch break. After 20 minutes, immediately after lunch, students are escorted back to class for silent 15 minutes of silent reading.

Fifth period, was Layla’s specials class time. This quarter, she enjoyed going to art and learning the key aspects of this class. This time was used for teachers to prepare lessons individually or work with their DOI’s.

At about 1:52, Ms. Hall arrived to pick up students from art class. It is time for sixth period class. This class is the last class period for the day, her ELA class. As soon as students entered the classroom, the teacher

distributed the Do Now. After 5 minutes, the Do Now was reviewed and collected. It was time to begin the days lesson which started with explicit vocabulary instruction of words encountered in the story of the week and then a close read of the text.

After sixth period, about 3:02 pm students began to prepare for their evening homework. They received their homework packet for the night. This packet included assignments from all classes. Layla entered University of Maryland and reminded Ms. Jenkins of her daily check out session with Ms. Jones, the counselor. Ms. Jones met with certain students at the end of the day to collect their point sheets, hear about their day, and then check to see if they met their daily goal. Layla was excited to tell Ms. Jones about her day. She was that she able to meet her goal. She earned 2 points from all of her classes for a total of 12 points. She surpassed her goal of earning 8 daily points.

“Great job, Layla. I am so proud that you were able to make your goal today.” Ms. Jones stated.

Once Layla received her treat and heard from other students, Ms. Jones escorted Layla and the other students down the stairs and out the door for dismissal.

- (f) Describe any proposed extra-curricular or co-curricular activities or any other student focused programming the school will offer; when will they begin, how often will they occur, and how will they be funded?

CEG offers many programs at current schools and therefore CPS will offer the following extracurricular activities to students, based on grade level and student interest: football, basketball, soccer, track, cheerleading, art, music, mentoring programs, chess club, dance teams, science camp, STEM competitions, cross country and other exciting activities.

These items will be funded through the normal operating budget as well as through individual donations.

- (g) If Saturday School, summer school, or after school will be offered, describe the program(s). Explain the schedule and length of the program, including the number of hours and weeks. Discuss the anticipated participants, including the number of students and the methodology used to identify them. For identified students, is the program mandatory? What are the anticipated resource and staffing needs for these programs?

CPS will offer weekly tutoring sessions. Weekly tutoring sessions will be offered to any student that did not master their Reteach exit ticket. This will be the third attempt that teachers are making to ensure that the student has mastered the topic. All students are offered the after-school tutoring session, while other targeted students may be contacted for mandatory tutoring. Each grade level teacher will be assigned to a specific day for after school tutoring. This allows students to attend any subject areas after school session each week. After the analysis of the Reteach exit tickets, teachers will send notification home to the mandatory students that are required to stay after school. Those students who would like to stay after school, will inform the teacher of that request. Teachers will post the after-school tutoring list outside of their door that way school leaders will know who is staying after school. These sessions will be offered throughout the school year.

Saturday School may be offered six weeks prior to the administration of TN Ready. All 3-8 students may participate in this extra support. The Director of Academic Achievement will identify the targeted standards based on data from Interim Assessments and the Tennessee Academic Blueprints. Materials will be purchased to support the implementation of the program. Saturday School sessions will be from 8:30-12:30 pm, where students will have three rotations of 60-minute classes. Existing classroom teachers will be ideal to staff Saturday School, with 3 teachers for each grade level. However, if there are not enough teachers to support this number, schools are expected to be strategic with staffing to support the coverage of each subject and grade with school leaders, support personnel and other interventionists.

At this point, there are no plans for implementing summer school.

1.9 Special Populations and At-Risk Students

In this section:

- (a) Provide a detailed, comprehensive plan on how the school will serve students with special needs, including but not limited to those students with federally recognized disabilities, students with Section 504 Plans, English Language Learners, students identified as intellectually gifted, and students at risk of dropping out.

Cornerstone Prep School will provide special education services that follow the IDEA continuum of services and guidelines for 504 and English Language Learners. These services will mostly be conducted in general education settings, resource environments or self-contained classrooms. The description of the services are as follows:

Inclusion/General Education Settings: Most students with special needs are included in the general education environment. In the academic classes, students typically receive whole group and small group instruction. Students generally participate in all assignments, activities, etc. with any needed accommodations and modifications.

Resource Settings: Students receive special education services in a classroom environment specifically designed to more effectively meet their needs.

Gifted and Talented Settings: Students who have been identified as gifted receive academic and cultural enrichment. These services are offered in the general education setting, as a part of the inclusion program, and in a separate pull-out model.

Self-Contained Settings: Students receive special education services in a classroom environment specifically designed to address their needs, which are typically intensive or extensive.

Currently, CEG schools provide self-contained classrooms for students who have cognitive or adaptive scale scores below 70 based on the IQ and Adaptive assessments that are provided by the psychologist. The structure of the classrooms are as follows:

Curriculum: The students receive instruction in Reading, Writing, Math and Pre-Vocational / Life Schools. The curricula that is used to support these areas are Sing/Spell/Read/Write Winning Program, EDMARK Functional Reading Skills and Musical Math. Instructional strategies that are used include explicit direct instruction and the incorporation of multiple intelligences (kinesthetic, visual, musical.)

Students with 504s: Students who have 504's will be instructed in the general education classroom. Teachers will implement the needs of the 504, which may include frequent breaks, modified assignments, etc. For students that have counseling as part of their 504 plan, they will receive this service from the school counselor.

ELL Students: Students will receive most of the instruction in their assigned general education classroom. EL teachers will push into their English Language Arts classes and serve as a co-teacher in the classroom. Time is also dedicated for additional instruction from the EL teacher through pull out instruction. This support will focus on basic language acquisition.

- (b) Describe the extent to which one or more of the founding school team members has experience working with special populations. If no founding school team members have experience working with special populations, describe the school's pre-opening plan to prepare for special populations.

Capstone Education Group has a Director of Special Education whose responsibility is to ensure that all students with IEP's are receiving services through the management of the Special Education Coordinator and Special Education Teachers. The Director of Special Education has 26 years of educational experience in which 15 of those years were dedicated to Special Education. The Director of Special Education initially started as a resource/inclusion teacher and moved on to become a Director of Special Education.

- (c) Describe the school's plans to have qualified staffing adequate for the anticipated special needs population and how the daily schedule, overall staffing plan, and support strategies (i.e., service providers, nursing, and educational assistants) will meet or be adjusted to the diverse needs of the students.

The staffing model assumes 15% of CPS students will qualify for Special Education services. The table below reflects the staffing needs based on the assumed special education population. As new students with disabilities enroll or students who are identified as having an IEP, adjustments will be made either using teacher personnel or through the hiring of additional staff. In order to ensure that we have qualified Special Education Teachers, the Director of Special Education will review all potential applicants and work with the HR department to review licensure obligations.

The self-contained classroom lead teacher and assistant teacher are charged with the following tasks:

- Confer with parents, administrators, testing specialists, social workers, and professionals to develop individual educational plans designed to promote students' educational, physical, and social development.
- Lead the self-contained classroom throughout the school day for students who need a setting outside of the general education classroom setting
- Employ special educational strategies and techniques during instruction to improve the development of skills, language, cognition, and memory
- Deliver curriculum for special-needs students, based upon a variety of instructional techniques and technologies
- Teach personal development skills such as goal setting, independence, and self-advocacy
- Observe and evaluate students' performance, behavior, social development, and physical health.
- Create and maintain baseline measures and ensure all assessments conducted
- Follow up with providers to confirm that IEP attendance, reports, and services are being completed
- Be available for Special Education families on an as-needed basis
- Maintain accurate and complete student records, and prepare reports on children and activities, as required by laws, district policies, and administrative regulations
- Test students as necessary during state testing and prepare, administer, and grade interim tests and assignments to evaluate students' progress

Similarly, the inclusion teacher job description includes the following key duties:

- Confer with parents, administrators, testing specialists, social workers, and professionals to develop individual educational plans designed to promote students' educational, physical, and social development
- Work in general education classrooms throughout the school day for students who need additional support
- Utilize pull-out sessions as needed to provide extra, focused instruction
- Employ special educational strategies and techniques during instruction to improve the development of skills, language, cognition, and memory
- Work with the general education teachers to modify the general education curriculum for special-needs students, based upon a variety of instructional techniques and technologies
- Observe and evaluate students' performance, behavior, social development, and physical health
- Create and maintain baseline measures and ensure all assessments conducted
- Follow up with providers to confirm that IEP attendance, reports, and services are being completed
- Be available for Special Education families on an as-needed basis
- Maintain accurate and complete student records, and prepare reports on children and activities, as required by laws, district policies, and administrative regulations
- Test students as necessary during state testing and prepare, administer, and grade interim tests and assignments to evaluate students' progress

School leaders work collaboratively with special education leaders and teachers to ensure that the schedule supports the needs of the special education students.

The Director of Special Education is charged with the following job duties:

- Confer with school level SPED staff, parents, administrators, testing specialists, social workers, and professionals to develop individual educational plans to promote students' educational, physical, and social development.
- Equip SPED teachers to work in general education classrooms throughout the school day
- Equip SPED teachers to utilize pull-out sessions as needed to provide extra, focused instruction
- Provide professional development to help all teachers employ special educational strategies and techniques during instruction to improve the development of skills, language, cognition, and memory
- Ensure SPED teachers modify the general education curriculum for special-needs students, based upon a variety of instructional techniques and technologies.
- Create and maintain baseline measures and ensure all assessments conducted
- Follow up with providers to confirm that IEP attendance, reports, and services are being completed
- Be available for Special Education families on an as-needed basis

School psychologists are contracted positions which serve in the following capacity:

- Support the Director of Academic Achievement and RTI with the following:
- Serve as a member of the Child Study Team which may include:
- Act as an intermediary between RTI outcomes and Special Education
- Interpret progress monitoring data, assessment data, and classroom data to help inform decision making
- Create a "toolbox" for teachers to help them develop strategies and interventions which can be used to differentiate with the classroom both academically and behaviorally
- Assist staff with the use and implementation of various assessments prior to initial consent for special education including reading inventories such as the Qualitative Reading Inventory 5 and behavior screenings such as the Behavior Evaluation Screening Summary
- Support the Director of Special Education in meeting the assessment and other needs of students surrounding 504 plans which may include:
- Serve as the legal interpreter of evaluation results according to Tennessee Law
- Conduct various evaluations including intellectual testing, achievement testing, social/emotional testing, functional behavior assessments, and adaptive behavior assessments within the legal timeframes (e.g. 60 calendar days to complete initial consent testing)

The network Gifted Program Lead works closely with general education teachers to identify potentially gifted students, completes the assessments, creates the IEPs and then delivers the instruction for all gifted students across the three schools.

CEG also employs a nurse to provide essential daily and other regular services for all CEG students, including those with special needs.

For externally placed students, the caseworker at the school that student has been placed to attend ensures that they are following the services as designated in the IEP. The Director of Special Education attends all IEP and re-evaluations in order to ensure FAPE is in place. The Director of Special Education receives all original documents from the IEP meeting. It is housed at the LEA school.

Capstone Education Group partners with Le Bonheur to provide students with the following services: Occupational Therapy, Speech and Language Therapy, and Physical Therapy. Services providers will maintain a practice log and electronically archive communications concerning service delivery. Documentation will be compared to students' service requirements for feasibility. Please find below the relevant portions of the contract agreement with Le Bonheur:

Hospital agrees to provide the Facility with physical therapy, occupational therapy and/or speech language pathology services for part B eligible children in accordance with a plan of care established by the multidisciplinary team, with parent input, documented on the Individualized Education Plan (IEP). Hospital will participate in the development and implementation of each student's IEP in accordance with Facility policies and procedures. Hospital will provide all therapy evaluation, and consultation services at the Facility. In the case of providing services for a school system or district, Facility is interpreted as possibly more than one location (school).

Hospital services will be provided by qualified, registered and licensed physical and occupational therapists and/or speech language pathologists. Hospital will provide evidence of licensure by the Tennessee Licensing Board, upon request. Therapy areas and equipment will be maintained in a safe, clean and professional manner. Hospital staff will participate in disaster drills and evacuations, as appropriate.

Hospital will adhere to the policies and procedures established by the Facility and will abide by all rules, regulations, and credentialing requirements of the Facility that are applicable to the therapist duties and responsibilities.

Hospital will abide by rules and regulations concerning patient confidentiality in the same manner and to the same degree as are required of the employees of the Facility.

Hospital and Facility will develop a mutually agreed upon plan to include, but not limited to, collaboration between support and frontline staff; in order to obtain all necessary medical prescriptions for therapy, equipment, and authorization for services, as specified by child's physician.

Facility will provide access to the student in all school environments during the course of the daily routine, for the provision of inclusive services. Facility will provide access to dedicated private space for the provision of testing and direct therapeutic services.

To the extent required by Section 1861 of the Social Security Act, each party shall, upon proper request allow the United States Department of Health and Human Services, the Comptroller General of the United States, and their duly authorized representatives access to this Agreement and to all books, documents, and records necessary to verify the nature and extent of the costs of services provided by either party under this Agreement, at any time during the term of this Agreement and for an additional period of four (4) years following the last date services are furnished under this Agreement. If either party carries out any of its duties under this Agreement through an agreement between it and an individual or organization related to it, that party to this Agreement shall require that a clause be included in the Agreement to the effect that until the expiration of four (4) years after the furnishing of services pursuant to such agreement, the related organization shall make available, upon request by the United States Department of Health and Human Services, the Comptroller General of the United States, or any of their duly authorized representatives, all agreements, books, documents, and records of such related organization that are necessary to verify the nature and extent of the costs of services provided under that agreement.

- (d) Explain how the school will utilize and evaluate data to inform instruction and evaluate academic progress for students with disabilities, English learners, at-risk students, and gifted students.

CPS will use the same data process for data analysis to evaluate data and academic process for students with disabilities, English Learners, at risk students and gifted students. CEG network leaders responsible for special education, ELL and gifted join the school leaders and teachers to evaluate the data and ensure the academic success for all students.

- (e) Describe the following related to special education:
- Methods for identifying students with special needs and avoiding misidentification.

When a child is struggling in the classroom with academic performance levels, the teacher uses multiple intervention strategies designed to identify specific needs and provide the implementation of strategies for student learning and success. This process allows the teacher to apply interventions daily for academic support. Based on student responses, teachers will determine if they are successful in the advancement of academic learning for the child's academic program, or if additional support is needed. If successful there is no need for further action to be taken, because the results indicate that the child has shown academic growth through the response to intervention. If Tier I and Tier II strategies are not successful, the teacher can proceed to referring the child to the Child Study Team process to provide additional options for academic success.

Once that child's name has been submitted to the Child Study team, the team begins the process of evaluation. The parent is notified that the child has been identified as a struggling student in areas of academic learning, and a meeting with the team and parent is set up to discuss testing and evaluations options and gain permission to begin the process. Initial consent is obtained and testing and evaluations begin. Depending upon the child's performance levels, the necessary testing is set up and completed by the appropriate staff. Once the testing and evaluations are completed, the team meets again with the parent and discusses the results and options to support the student's academic/behavioral needs.

CEG seeks to avoid misidentification of children for special needs services. CEG accomplishes this through the intentional, individual attention given to student needs. The process noted above ensures that teachers use all typical intervention strategies as part of the daily instructional model. Then, all stakeholders analyze academic and behavioral data for the child presented for their evaluation. Every child receives an individualized plan and evaluation that allows and encourages the specificity in determining an exact identification of needs for that child to assist each child in their academic track for success.

- How the school will handle over-identification of special education needs.

Cornerstone Prep School addresses the problem of over-identification of special education students through the thorough nature of the process and the initial response of classroom teachers. CPS teachers will implement Tier I and Tier II RTI processes in all classrooms for intervention before referring the child to the child study team for testing and possible identification for special education services. The process that the child study team goes through for each child is quite extensive, and will determine services for a child based on their scores and meeting the Tennessee state requirements for the disabilities presented and will not recommend services if the child does not meet requirements for all above. This process will eliminate the over-identification of students being placed in special education classrooms to receive services.

- Specific instructional programs, practices, and strategies the school will employ to provide a continuum of services; ensure students' access to the general education curriculum; and ensure academic success for special needs students.

CEG instructional programs and practices provide plans and methods to meet the academic and behavioral needs of all students. CEG programs include special education options from Inclusion support in the general education classroom to the self-contained classroom settings. CEG prefers the best practice of teaching the student in their least restrictive environment.

The inclusion classroom settings provide academic support for a child that needs minimal support for academic success. This service is provided in the general education classroom with the support of a general education teacher and a special education teacher delivering services and providing academic support for the child's success. This delivery service is provided for students in the areas of Reading/Language Arts and Math. This is additional support for grade level instruction and performance levels.

Students unsuccessful with the first level of support received further interventions, called Resource Support. Resource Support provides academic support in a separate special education setting. This is small group instruction provided in Reading/Language Arts and Math areas of instruction. In this area of support, students work on their deficit levels of academic area of needs in a smaller group or individual group setting.

The most restrictive learning environment is a self-contained classroom setting. This setting best supports students unable to be successful with the first two layers of intervention. (In other words, children are not able to participate successfully in the general education curriculum with success.) These children require individual goals and objectives determined for their level of understanding and success. Strategies that are used to support these areas of learning are provided through implementation of differentiation in academic activities and materials in all areas of classroom learning. Tutoring is available after school for academic support as well as Saturday school being provided for additional academic supports and strategies for learning success. Learning labs and additional support from reading specialists provide students with additional strategies for academic support.

Continuum of services is provided through annual updates of the IEP goals and objectives as well as Re-Evaluations that occur every three years to determine present levels of performance. These safeguards allow careful and considerate modifications and adjustments of program instruction for maximum learning success.

General education curriculum is always the primary option for children to find learning success. Exposure to general education curriculum can be provided to all students through the participation in general education settings. Many students unable to be successful in general education classrooms for core subjects will still

attend support classes such as P.E., Art, Computer, etc. These activities allow and encourage participation with general education peers and maximize the interactions between students within the school setting to ensure academic success to all students enrolled in the school setting.

- Plans for monitoring and evaluating the progress and success of special education students, including coordination with the LEA's monitoring and evaluation; and

Fidelity checks are completed on all Special Education students to ensure that appropriate instructional practices are being implemented for student success. A stakeholder who does not provide academic services to the child completes these checks. School psychologists, Special Education Coordinator, Director of Special Education as well as appointed staff will complete these as non-biased and non-judgmental observations that are presented to the team for review.

Progress monitoring is completed weekly in the areas of Reading and Math to provide data for individual levels of growth and progress. These are completed using a standardized platform of Fast-Bridges computerized program implemented school-wide for all students.

Progress reports for IEP goals and objectives are updated every nine weeks. These progress reports are sent home for parental review. If any adjustments are needed, the case manager can call an IEP meeting and make the necessary adjustments to maximize academic success.

Annual IEP updates occur each year to guarantee that the child is making adequate progress in their learning program. When needed, meetings with the team are scheduled and a new learning plan is developed to support the child's present levels of performance. IEP addendums can also occur to make any needed adjustments in the learning path provided by the IEP goals and objectives.

Re-evaluations occur every three years and can provide team with additional data as needed for student success as well as to continue services. If a classification or identification of disability needs to be adjusted, this is the time and place for it to occur for student academic success. The Director of Special Education, Assistant Director of Special Education and school personnel work together to coordinate communication with the LEA and other critical stakeholders in the process.

- Plans for promoting graduation for students with special needs (high school only).

Not applicable.

(f) Describe the following related to English learners (EL) in accordance with state board policy 3.207:

- Methods for identifying EL students and avoiding misidentification.

At Cornerstone Prep School, EL students will be identified immediately after registration by gathering all the Home Language Surveys that indicate any language other than English spoken by the student. EL teachers gather all prior records from students who come from other schools. If records cannot be attained, then the student must be tested. All students who do not have a WIDA score from the previous spring will be given the WIDA Screener to determine if he or she qualifies for EL services. Students who have received WIDA scores from the past school year will receive EL services depending on their previous year score. By the third week of school, the EL teachers complete testing and identifies the services each EL requires. If a student enrolls mid-year, the same process is completed as indicated from the beginning of the year, within 10 days of enrollment in school. EL teachers receive results from ACCESS 2.0 and use the results to determine how many hours of service the EL student will receive. EL teachers also evaluate each student's scores in Listening, Speaking, Reading, and Writing to determine what level of English instruction and academic content will be implemented into the curriculum for each group. Teachers use data from standardized tests, including TN Ready and MAP assessments, to individualize and differentiate English language instruction.

- Specific instructional programs, practices, and strategies the school will employ to ensure academic success and equitable access to the core academic program for these students;

After EL teachers receive the WIDA scores, the EL teachers connect with the general education teachers to review the Can Do Descriptors to identify what language learners can do at various stages of language development as they engage in teaching and learning in class. Comparing the ELL students' skills with the Can Do descriptors helps EL and general education teacher create learning environments for ELL students based on what they can do and to determine the most appropriate way to make the academic content accessible for ELL students. The EL teachers and classroom teachers also work together during actual instruction to create the best possible learning environment for ELs.

As the year progresses, the EL teachers continue to participate in grade level planning meetings and also review and modify regular classroom lessons as needed so that ELLs are reaching state standards and are being provided with academic rigor, while simultaneously providing accommodations to support the needs of each individual English language learner.

- Plans for ensuring individual learning plans (ILPs) are maintained and addressed; and

WIDA ACCESS 2.0 results will be used to determine how many hours of service an EL student will receive. EL teachers also evaluate each student's scores in Listening, Speaking, Reading, and Writing to determine what level of English instruction and academic content will be implemented into the curriculum. Teachers use data from standardized tests, including TN Ready and MAP assessments, to monitor and evaluate the progress and success of EL students.

English learners who take WIDA ACCESS and score a 4.2 or higher composite and 4.0 or higher for literacy may be exited from receiving ELL direct services and become a Transitional 1 student. These students do not receive EL services but are monitored consistently throughout the year by the EL teachers. English language learners who receive a 3.6 or below require EL services for an hour a day. A score of 3.7-4.1 still qualifies a student for EL services but does not require an hour a day.

- Plans for monitoring and evaluating the progress and success of EL students, including exiting students from EL services.

The CEG EL Lead will be responsible for monitoring and evaluating the progress and success of EL students, including exiting students from EL services. The Lead has been performing this function for the past three years for all CEG schools, and she will continue to work with school leaders and teachers to manage the process and ensure that all EL students are being successful.

(g) Describe the following related to at-risk students:

- Methods for identifying at-risk students through academic and behavioral processes; and

CEG executes the RTI process as described in Section 1.4 of the application to identify students at risk academically. All students will take the MAP assessment as the universal screener. Students who perform less than the 20th percentile in either Math or Reading are determined to be at risk. Those students will take either the AReading diagnostic or AMath diagnostic to identify the specific areas to target for their intervention.

CEG uses Live School data to identify students at risk behaviorally. One month after school starts, the Assistant Principal will review Live School data to identify the students that have earned the most demerits and other standard consequences. An informal behavior plan created by the school counselor will be implemented in order to address the areas of concern.

- How the proposed school will meet the learning needs of students who are performing below grade level and monitor their progress. Specify the programs, strategies, and supports that will be provided.

All students will go through the screening process, as described in Section 1.9g. Once students have been tiered as either Tier 1, Tier II or Tier III, Cornerstone Prep School will receive specific interventions that best meet their areas of need. During the Learning Lab block of instruction, the following interventions will be used to meet the learning needs of students who are performing below grade level:

I Ready Common Core Lessons: I Ready Common Core Lessons provides teachers with an action plan for individual and group instruction as well as the tools to deliver that instruction in any style learning environment. The domains addressed in the lessons include phonological awareness, phonics, high frequency words, vocabulary, and comprehension.

Reading Mastery- Reading Mastery helps students develop into fluent, independent, and highly skilled readers with this Direct Instruction reading intervention program. It provides targeted instruction related to the skills and information presented in Reading Mastery® Signature Edition and Corrective Reading Decoding. It helps students meet the rigorous CCSS in vocabulary, writing, and comprehension through explicit instruction, modeling, guided practice, and independent practice.

Corrective Reading- Corrective Reading is a powerful Direct Instruction remedial reading series that solves a wide range of problems for struggling older readers, even if they have failed with other approaches. Explicit, step-by-step lessons are organized around two major strands, Decoding and Comprehension, which may be used separately or together to customize instruction for student needs. Each strand of Corrective Reading has four levels that teach foundation skills for non-readers to seventh grade-level material.

(h) Describe the following related to gifted students:

- Methods for identifying and meeting the needs of intellectually gifted students;

At the beginning of the school year, students are administered the MAP assessment as a universal screener. Students who achieve the 85th percentile in two academic areas will receive a permission slip for an individual screening. After receiving a signed permission for individual screening form, gifted teacher requests classroom teachers to complete TNCreat and TnTOC forms for identified student(s). Gifted teacher compiles TnPIF, TNCreat, and TnTOC forms for comparison with the TN K-12 Intellectually Gifted Grid. Students who meet minimum first range criteria (TnTOC 16, TnTOC+ 21) are referred for a comprehensive evaluation and gifted teacher initiates formal IEP process.

- Specific research-based instructional programs, practices, strategies, and opportunities the school will employ or provide to enhance their abilities; and

Gifted students will be taught using the William and Mary Gifted Curriculum Math and Language Arts curriculum. All units are aligned to the Common Core standards of the grade, as well as a maximum of three grade levels above the grade level. Instructional strategies embedded within the curriculum include content-based thinking models, opportunities for discussion and the analyzation and justification of responses. Students will complete culminating projects at the end of each unit.

- Plans for monitoring and evaluating the progress and success of intellectually gifted students.

Intellectually gifted students will be monitored based on their performance on William and Mary projects that are completed during their gifted resource sessions. In addition, data from core classes will be monitored based on their performance on daily exit tickets, weekly SWYK quizzes, NWEA MAP results, quarterly Interim Assessments and TN Ready.

As indicated in the Professional Development section of the application, school leaders and teachers review the Exit Tickets, SWYK results and reteach data each week to ensure that the interventions lead to student mastery. To ensure that teachers (general education and special education) are equipped to teach students with disabilities, the Director of Special Education will provide PD on the following: Inclusion, Writing IEP's, Multi-sensory Learning and Differentiation.

The case managers with the direction from the Special Education Director, will support general education teachers with the implementation of all modifications and accommodations.

- (i) Describe how the school will implement Response to Instruction and Intervention (RTI²) procedures for special needs students, including a plan for how data will be collected, progress will be monitored, and instructional decisions will be made related to student performance.

Once a student has been identified as needing Special Education services, students receive intervention and instruction to support the academic or behavioral needs as identified in the IEP. Students can receive intervention using the following programs:

I Ready Common Core Lessons: provides teachers with an action plan for individual and group instruction as well as the tools to deliver that instruction in any style learning environment. The domains addressed in the lessons include the following: Phonological Awareness, Phonics, High-Frequency Words, Vocabulary, Comprehension: Literature, Comprehension: Informational Text.

Reading Mastery: Reading Mastery helps students develop into fluent, independent, and highly skilled readers with this Direct Instruction reading intervention program. It provides targeted instruction related to the skills and information presented in Reading Mastery® Signature Edition and Corrective Reading Decoding. It helps students meet the rigorous CCSS in vocabulary, writing, and comprehension through explicit instruction, modeling, guided practice, and independent practice.

Corrective Reading: Corrective Reading is a powerful Direct Instruction remedial reading series that solves a wide range of problems for struggling older readers, even if they have failed with other approaches. Explicit, step-by-step lessons are organized around two major strands, Decoding and Comprehension, which may be used separately or together to customize instruction for particular student needs. Each strand of Corrective Reading has four levels that teach foundation skills for non-readers to seventh grade level material – potentially all in about 2 1/2 years.

Words Their Way: Words Their Way is a foundational program that helps students develop those foundational skills targeted in the Common Core State Standards (CCSS). Specifically, Words Their Way supports the CCSS's Reading Foundational Skills and Language Standards in Grades K–5. The depth and breadth of word knowledge developed through the Words Their Way approach to word study also supports the Common Core's emphasis on students' reading more complex literary and informational texts.

Wordly Wise: Wordly Wise is a program that focuses on the teaching of spelling and vocabulary. Books A through C (for grades 2–4) introduce 300 words and books 1–9 (grades 4–12) 3,000 words, all with exercises.[1] As well as spelling and meaning, the books cover the etymology of and the stories behind the words discussed.

40 Reading Intervention Strategies for K-6 Students: 40 Reading Intervention Strategies for K-6 Students, provides a well-rounded collection of research-based reading intervention strategies that can be used by classroom teachers, interventionists, Title I, special educators, and ELL teachers seeking to support struggling readers in their classrooms and schools. It also provides teacher-friendly sample lesson plans and mini routines that the classroom teacher can readily understand and adapt.

Students are progress monitored in order to determine if the student is progressing as expected. Special Education teachers assume the responsibility of progress monitoring students and reporting student progress towards their I.E.P goals during monthly Sped Data Meetings. Data Meetings helps teachers review, adjust, replace or develop interventions for Tier II and Tier III students. Progress monitoring data is reported out to determine whether students who receive interventions are on track to meeting learning goals.

Progress monitoring is conducted with measures that are at a student's skill/instructional level as determined by data from MAP. A minimum of 8-10 data points is needed to make a data-based decision to change students to a different intervention as determined by the Sped Team.

Fidelity checks conducted by the Special Education Director and/or School Psychologists help determine the extent to which the delivery of an intervention adheres to the protocols of the program.

1.10 School Culture and Discipline

In this section:

- (a) Provide as **Attachment B** the Student Handbook and/or forms that will be provided to or required of students and families, including any “contracts” with students and parents.
- (b) Describe the desired school culture or ethos of the proposed school and how it will promote a positive academic environment and reinforce the charter school’s mission, goals, and objectives.

CPS will have an unmistakable school culture woven through every aspect of the school. Every classroom will have teachers who are delivering enthusiastic and well-prepared lessons. Students will be active owners in the lesson, engaging the teacher, asking thoughtful questions, and exuding joyful attitudes toward the learning experience. There is a sense of urgency within the school: classes maximize time, transitions are efficient, and all energies drive toward a college-preparatory mindset. Students interact respectfully with peers and adults, whether they are teachers or guests. School-wide systems provide teachers specific and actionable ways to limit misbehaviors and deal with them appropriately. Scholars represent and act in accordance with the values of CPS even outside of the school building. Families feel pride in their school and actively engage as stakeholders in their child’s education. Teachers feel supported and heard by the administration.

The CPS mission acknowledges that Wisdom and Knowledge are equally important in the education of a student. Both cover a multitude of skills that can be taught and learned. Any child can learn at the highest academic levels, if given the proper opportunity and support. For this lofty goal to be accomplished, CPS must create an unmistakable school culture of support, respect, discipline, and persistence. CPS must teach students to want to do the right thing, because it is the right thing, and ultimately because it takes a community of people doing the right things to bring lasting change. Students must take joy in the act of learning itself. Learning, the process of knowing something and being able to demonstrate that knowledge, creates a longing for more learning. As Paul Tough writes in his book *Whatever It Takes*, “learning begets learning and skill begets skill.”

- (c) Explain how you will create, implement, and sustain this culture for students, teachers, administrators, and parents starting from the first day of school. Describe the plan for acculturating students who enter mid-year.

CPS believes a school creates and sustains the desired culture beginning from day 1 through the actions of adult staff, students and parents. The process starts with the staff during the summer.

CEG and school leaders invest significant time during summer professional development sessions casting vision for the desired school culture and then equipping the adults to create that culture. Role plays, conversations, watching videos and practicing drive the summer professional development that equips the staff with both the vision and the tools for the proper school culture.

Next, school leaders communicate the desired culture to all prospective parents and students. The expectations provided to parents and students during enrollment become the foundation for conversations once school begins.

Once school begins, CPS must ensure students feel safe, especially from bullying and checking. The school must make it clear that no student should suffer disrespect from another student. We hold students responsible for disrespect they may show themselves, their peers, their teachers, the staff and the school.

After creating a safe place, CPS leaders focus on building character. If teachers tell students what to do, they achieve compliance. If teachers tell students how to do it, they achieve proficiency. But if they tell students why to do it, they achieve investment. CPS will teach systems, procedures and expectations, taking time to provide the “why” behind each so students can “buy-in” to the school culture and begin growing in Wisdom.

CPS students will grow in Wisdom and Knowledge every day, and in doing so, will exhibit:

- Fortitude – Handle adversity with courage and character.
- Responsibility – Do what is right and what is required.
- Respect – Show consideration and care for yourself and your community.
- Kindness – Help others and encourage them to succeed.
- Integrity – Tell the truth at all times.

In order to set students up for college and career success, Cornerstone Prep School staff will help students understand the behaviors that will contribute to their success, and the behaviors that will create obstacles. Students should contribute to their community by displaying positive behaviors and making good decisions. A school-wide system creates a positive community of learners, where everyone is aware of the expectations. This system is administered by school staff for individual student behaviors. This helps to remind students not to repeat misbehaviors and to use their learning time wisely. When students misbehave, they are issued demerits and when they make good choices, they are issued merits.

This consistent system allows students to enjoy rewards and benefits for displaying good character and receive demerits, loss of privileges and other consequences for poor choices. These tools will help students get prepared for college and a life of leading after graduating from college. Scholars will receive a detailed description of merits and demerits, along with possible rewards and consequences, during their first week of school. Each week thereafter, students and parents receive regular weekly reports describing the choices the student made during the week.

Students who enter after the first few weeks of school, when systems, routines and culture are explicitly communicated, will be acculturated into the school culture by the Assistant Principal. The new student will tour with the Assistant Principal, observing the systems and routines of the school. The Assistant Principal will share the reasons behind the process and provide some advice on how to quickly adapt into the school culture.

After the Assistant Principal provides the tour, the student enters the classroom. The classroom teacher knows to spend the first few days teaching the students the more detailed expectations and providing similar language as all students received in the first week (for example “you would have earned a demerit for that.”) After the first week, the student should have a clear understanding of most of the expectations and be able to begin growing in Wisdom each day. If new students are not successfully acculturated, the Assistant Principal will follow up with the parent and student to have follow up sessions in which they practice the systems with both the parent and student.

- (d) Explain how the school culture will embrace students with special needs, including students with disabilities, English Language Learners, and students at risk of academic failure.

The CPS mission statement begins with the words “All students.” Cornerstone Prep School values every student equally and therefore will embrace all students with special needs, including students with disabilities, English Language Learners and students at risk of academic failure. All students will participate in the onboarding process of schoolwide expectations and the discipline policy. For students who struggle with understanding the preliminary onboarding presentations, time will be spent to provide individualized follow up sessions with students via the school counselor.

All students will be held to high expectations, but some students will need individual behavior plans and other supports to reach those high expectations. CPS staff work together to properly identify students with special needs and works to create a plan that allows those students to be successful and to grow in Wisdom.

The plan will consist of specific interventions such as Check In Check Out, Daily Point Sheets, Reflection. The merit/demerit system will be used as data points to determine the specific area that students need development on. The counselor and teachers will collaborate to create a plan that best meets the needs of students who are not responding to Tier I behavior supports.

- (e) Describe the philosophy for student discipline that supports your proposed school's model, including:
- Practices the school will use to promote good discipline, including both penalties for infractions and incentives for positive behavior.

To set students up for college and career success, CPS must help students understand which behaviors will facilitate their success, and which ones will create future obstacles. Students will contribute to the school community by displaying positive behaviors and making good decisions. A school-wide system creates a positive community of learners, where everyone is aware of the expectations. Listed below are the critical success factors of the CPS student discipline process.

CPS students will be celebrated for making good choices. Providing incentives to students helps to motivate students and lets them know that we are looking to "catch" them doing the right things. It also reinforces the life lesson that *"everything is earned."*

Merits - At CPS, students earn merits or points for demonstrating positive behaviors that are connected to Cornerstone Prep School's 5 core values.

All students at Cornerstone Prep School will begin their day with 10 merits; 5 merits for having a complete uniform and 5 points for arriving to school on time.

Students may not request merits, nor can they earn a merit if a teacher has to explicitly tell a student to perform an action. When issuing merits, teachers should explicitly state the student action that was exhibited to earn the merit and the core value the behavior is connected to. Below are examples of how students can earn a merit connected to each core value:

Fortitude – A student works on additional practice problems without being told to practice a skill they find difficult. Responsibility – A student creates a checklist or calendar to keep up with events and assignments. Respect – When faced with opposition from a classmate, the student uses respectful dialogue to handle the problem. Kindness – During partner work, a student volunteers to help a lower performer student with a new skill. Integrity – A student tells you that you forgot to mark a question as incorrect on their assignment.

Class Points- Class points are a way to encourage unity within a homeroom. Homeroom Teams may earn class points based on the school's 5 Core Values.

Teachers will record points by writing the abbreviation for the Core Value(s) earned on the Tracking Sheet during the last 30 seconds of the period. Teachers must give students explicit feedback for how they earned certain class points, and why they didn't earn other ones. The first homeroom to earn 100 class points will be rewarded.

Classes may earn class points if they meet the following criteria for each core value:

Core Values	
Fortitude	<ul style="list-style-type: none"> The class earns at least 80% mastery on the weekly “Show What You Know” (SWYK) quiz, daily exit ticket, or major test. Most students take the initiative to use multiple strategies and resources to find solutions, and work diligently throughout the class period.
Responsibility	<ul style="list-style-type: none"> All students have turned in completed homework for the day. Students carry out class transitions quickly, quietly, and efficiently.
Respect	<ul style="list-style-type: none"> No more than 4 demerits were given throughout the class period. Students consistently use accountable talk when communicating during class.
Kindness	<ul style="list-style-type: none"> Students are encouraging and supportive to struggling learners (positive energy, snaps, power claps, patiently helping others, etc.).
Integrity	<ul style="list-style-type: none"> Appropriately following the class honor code. (Keeping eyes on your own paper; no cheating). Being honest about mistakes and action planning to improve them.

Student Incentives - It is important that we recognize students for the positive behaviors that they demonstrate. At CPS, students may earn daily, weekly, monthly and quarterly behavior incentives.

- Daily incentives- Teachers may determine incentives to give to students based on daily merit goals that teachers can establish for students. Incentives can include small treats such as candies or even extra supplies.
- Weekly incentives- Students that have earned 55 merits for the week will earn Platinum Scholars. Platinum Scholars will recognize students each Monday for the following weeks merits that were earned. Platinum Scholar winners will receive a snack/treat at lunch on Monday and may run errands for teachers, with the appropriate pass.
- Monthly incentives-Students who have earned 200 merits for the month, will earn lunch with the Principal.
- Quarterly Incentives- At the end of nine weeks, Grade level Celebrations will honor students who best exhibit the school’s 5 Core values through the calculation of total merits earned and classroom performance. Students and parents will be invited to attend the celebration which includes the recognition of academic honors and behavior honors. Students who earn both academic and behavior honors will be identified as Scholars of the Quarter. These students will have their pictures taken and have their pictures posted in the hallways of the school. After the awards component of Grade Level Celebrations, students return to their grade level hallways where classrooms have been converted to a variety of stations. Students will go to the rooms of their choice. Options include the following:

Game Room- Students have access to various types of games; video games, card games and board games.

Dance Room- A Dj is in this room and students will dance and listen to music.

Movie Room- A movie will played in this room.

Nail Room- Students will have their nails painted

Demerits - When students display behaviors that are not aligned to the Core Values of Cornerstone Prep School, they will earn a demerit, which is the loss of a merit. Specific behaviors are associated to the number of demerits that are lost. When a student does any of the following behaviors, they will lose 1 merit: Speaking out of turn (ex. providing an answer at an inappropriate time.) Slouching/head on desk, Consuming candy/gum/soda, Not following explicit or time-bound directions, Speaking without permission (having a conversation with oneself or another classmate without permission), Leaving seat without permission, Disrespectful response to a demerit or direction (e.g. lip smacking, teeth sucking, eye rolling, "Why," etc.), Horseplay/ Touching others (playfully touching others, "roughhousing"), or Unprepared for class (not having classroom materials, binders, writing utensils, paper, etc.).

When a student does any of the following behaviors, they will lose 5 merits: Lying, Cursing, Sexual Comments, Hitting, Insubordination (disregarding individual corrections), using a Cell phone (If the cell phone is seen or heard, it will be collected by staff. Only parents/guardians can retrieve the phone), Defacing school property, Checking (making derogatory comments about another peer or teacher), Other Extreme Behaviors (any behavior causing a major disruption to the learning process of the majority of the class), or Extreme Disrespect of teacher (raising voice loudly, threatening remarks, kicking furniture, walking away in anger, etc.).

CPS students deserve a distraction-free, respectful learning environment. Teachers will provide interventions and support to redirect and address student behavior. For students that struggle to redirect their behaviors, students will be sent to the Reset Room. Meeting with the Reset Coordinator allows students time to reset through reflective assignments, review of school expectations, and to set new goals before returning to the classroom. Once students have lost 4 merits, teachers are required to administer the following consequences:

Number of Merits Lost	Consequence	Description
4 merits	Reset Warning	<p>Record the 4th point lost into Live School.</p> <p>Teachers will record the 4th demerit into Live School. Teachers will then direct students to go to the Reflection Corner in a designated space in the room and start the timer at 5 minutes to monitor their reflection time. At the Reflection Corner, students will have resources to communicate their needs, and calm down (i.e. Cool Down Corner Cards, reflection prompts, etc.). At the end of the 5 minutes, the teacher will have a brief (15-20) second follow up conversation with the student to assess their needs and provide support.</p> <p>If needed, place the “Reset Room Hall Pass – Office Referral” (not filled in) on the student’s desk as a visual warning to the student.</p> <p>If there is no more misbehavior during the class period, student may dispose of pass at the end of class. (See page for “Reset Room Hall Pass – Office Referral”)</p>
5 merits	Reset Referral	<p>Record the 5th point lost into Live School.</p> <p>Complete the “Reset Room Hall Pass– Office Referral” by writing in the numbered codes of demerits.</p> <p>Give the “Reset Room Hall Pass –Office Referral” to the student. The student will go to the Reset Room. If student refuses to accept the referral, allow another responsible student to bring it to the Reset Room.</p> <p>Re-focus the class on instruction.</p> <p>If the student refuses to exit the classroom, stay calm and text the Assistant Principal or Principal the room location.</p> <p>The Reset Coordinator will record the office referral using the Office Referral button in Live School</p>
6 merits	Detention/ Choice time Warning	<p>Teachers will record the 6th point lost into Live School.</p> <p>Teachers will place the detention (3-8) or choice time (k-2) warning slip (blank) on the students’ desk as a visual warning.</p> <p>If there is no more misbehavior during the class period, the student may dispose of the slip.</p>
7 merits	Detention/loss of choice time	<p>Teachers will record the 7th point lost into Live School and student will remain in class.</p> <p>Teachers will check the box on the detention warning slip labeled “Detention Received” or “Choice Time Lost”</p>
8 merits	*2 nd Reset Referral	<p>If a student has lost 8 merits within a course of a day, they will be sent back to the reset room for the remainder of the day.</p>

- If not included in the discipline policy, a list and definitions of the offenses for which students in the school must (where non-discretionary) and may (where discretionary) be suspended or expelled, respectively; procedures for due process when a student is suspended or expelled as a result of a code of conduct violation, including a description of the appeal process that the school will employ for students facing expulsion;

CPS believes it is the role of educators to teach students proper behavior and to work with students who make poor decisions so they can become equipped to be college and career-ready adults. Students who consistently or repeatedly fail to uphold the standards of conduct and behavior, may be subject to disciplinary action up to and including expulsion.

For this policy, “suspension” means the removal of a student from the student’s regular school program for up to ten (10) school days. This suspension may be in or out of school. “Expulsion” means removed from the student’s regular school or removed from school attendance all together for 11 or more days. “Remand” shall be defined as assignment to an alternative school or program.

In order to ensure a safe and secure learning environment free of drugs, violence, and dangerous weapons, any student who engages in the following “Zero Tolerance” behaviors may be subject to suspension for a period of not less than one (1) school year:

- Unauthorized possession of a firearm as defined by 18 U.S.C. §921
- Committing aggravated assault of a “teacher, Principal, administrator, any other employee of an LEA or school resources officer”²
- Unlawfully possessing any drug including any controlled substance, as defined by §39-17-403-415, controlled substance analog, as defined by §39-17-454 or legend drug, as defined by §53-10-101

Expelled means removed from the student’s regular school or removed from school attendance all together. Nothing in this code shall be constructed to prohibit the assignment of expelled students to an alternative school.

The following behaviors are also considered serious infractions and may lead to immediate suspension and/or expulsion:

- Willful and persistent violation of the rules of the school or truancy
- Immoral or disreputable conduct or vulgar or profane language
- Violence or threatened violence against the person or property of any personnel or any student attending or assigned to any school;
- Possession of a pistol, gun or firearm on school property;
- Possession of a knife/weapons, etc., as defined in TCA 39-6-170, on school property;
- Marking, defacing, or destroying school property
- Willful or malicious damage or theft of real or personal property of the school or the property of any person attending or assigned to the school or illegal entry into the school
- Unlawful use or possession of barbitol or legend drugs as defined in TCA 53-10-101;
- Unlawful use or possession of alcohol;
- The sale or distribution of drugs and alcohol;
- One or more students initiating a physical attack on an individual student on school property or at a school activity, including travel to and from school
- Assault or battery on school employees; (this includes physical and explicit verbal assault, including vulgar, obscene or threatening language) T.C.A. §49-6-4216, T.C.A. §49-6-3401(g)
- Making a threat, including a false report, to use a bomb, dynamite, any other deadly explosive, including chemical weapons, on school property or at a school sponsored event
- Any other conduct prejudicial to good order or discipline in any public school; and off-campus behavior that results in a student being legally charged with a felony and the student’s continued presence in school poses a danger to persons or property or at school sponsored event
- Inciting, advising or counseling of others to engage in any of the acts included above

Suspension and Expulsion as Consequences for Serious and/or Persistent Misbehavior

A student may be suspended and/or expelled for serious infractions. Misbehaviors in violation of the Student Code of Conduct, not otherwise constituting an expellable offense, may become a serious infraction subject to expulsion and/or suspension when the misbehavior is so persistent that, in cumulative effect, it is significantly disruptive of the educational process. The decision to expel shall be based on an assessment of the facts and circumstances of each case. Relevant factors, without prioritization, include, but are not limited to, the seriousness of the misconduct, the student's age, grade level, history of prior misconduct, health and safety issues, and disruptive effects upon the educational process.

Suspension Process

In addition to the above list of serious violations, the Principal or designee has the authority to suspend a student for a period of up to five (5) school days to further investigate an incident or because of an emergency constituting endangerment to health or safety of students or staff.

Prerequisites to Suspension

Prior to suspending a student, the Principal or designee must hold an informal conference with the student to:

- Notify the student of the accusations against him/her;
- Allow the student to relate his/her version of the incident; and
- Determine whether the student's conduct warrants suspension.

Notification to Parents

If the Principal or designee determines the student's conduct warrants suspension during the school day, the Principal or designee must notify the student's parents/guardians that the student has been suspended before the student is sent home on the day the suspension occurs. The Principal/School Director or designee will notify a suspended student's parents/guardians of the period of suspension, the grounds for the suspension, and the time and place for an opportunity to confer with the Principal/School Director.

Credit During Suspension

A student shall receive credit for work missed during the period of suspension if the work is completed within the same number of school days that the student was absent on suspension.

Expulsion Process

This process applies to expulsions (removal from the regular program for more than ten (10) days). The school will follow the steps below before applying an expulsion:

Prerequisites for Expulsion

Prior to expelling a student, the Principal or designee must hold an informal conference with the student to:

- Notify the student of the accusations against him/her;
- Allow the student to relate his/her version of the incident;
- Suspend the student for 5 days pending a decision on an expulsion.

Notification of Parents

If the expulsion is applied, the Principal or designee shall immediately give written notice of the expulsion to the parent or guardian. The expulsion notice shall include the effective date and length of the expulsion, the reason for the expulsion, information about the parent's right to appeal the expulsion decision to the Network Appeals Officer and the Office of the Superintendent, and referral of the parent to the CEG's Alternative Education Coordinator in the Office of Portfolio Management, who will partner with the parent to assign the student to an alternative school, for which attendance is mandatory for the duration of the expulsion.

Appeal to the Network Appeals Officer

Parents, students or guardians who wish to appeal may do so. All appeals shall be filed, orally or in writing, within five (5) days after receipt of the notice and may be filed by the parent or guardian, the student, or any person holding a teaching license who is employed by CEG, the CEG or an CEG authorized charter or transformation operator if requested by the student. The notice shall also state that failure to timely request an appeal constitutes a waiver of further rights in the matter.

The appeal from this decision shall be to Director of Special Education, who serves as the Network Appeals Officer. If the Director of Special Education has been involved in the decision, the Director of Academic Achievement will fill the role of the Network Appeals Officer.

The hearing shall be held no later than five (5) days after the beginning of the expulsion or remand. The Network Appeals Officer shall give written notice of the time and place of the hearing to the parent or guardian, the student, Principal, and director of schools who ordered the expulsion or remand. Notice shall also be given to any employee who requests a hearing on behalf of a student who is expelled or remanded.

After the hearing, the Network Appeals Officer may affirm the decision of the director of schools, order removal of the expulsion, remand unconditionally, or, upon such terms and conditions as it deems reasonable, assign the student to an alternative program or suspend the student for a specified period of time.

If the decision is determined by the Network Appeals Officer, a written record of the proceedings, including a summary of the facts and the reasons supporting the decision, shall be made by the disciplinary hearing authority.

- An explanation of how the school will protect the rights of students with disabilities in disciplinary actions and proceedings;

Cornerstone Prep School may discipline students with special needs using in-school suspension, or out-of-school suspension. During in-school suspension, the school must provide services comparable to the student's IEP services and allow opportunities for the student to participate in his or her general curriculum. A student with disabilities may be suspended for up to 10 days without a duty to provide continued services specified in the student's Individual Education Program (IEP), review his or her Behavior Intervention Plan (BIP), or reconsider the Functional Behavior Assessment (FBA).

If a student is expelled or remanded, a manifestation determination review (MDR) must be conducted within the first 5 days of the student's removal. Parents must be notified at least 24 hours prior to the MDR. The MDR shall be used to determine (1) whether the conduct in question was caused by, or had a direct or substantial relationship to the child's disability, or (2) whether the conduct in question was the direct result of the school's failure to implement the IEP. Regardless of the MDR determination, services shall recommence on the 11th day of the student being removed from their primary school.

If the MDR determines that the conduct for a non-zero tolerance offence was a manifestation, the school must do the following: (a) conduct or review the student's FBA, (b) develop or modify a BIP, and (c) return the student to placement from which he or she was removed unless parents and school agree to a change of placement as part of modifications to the IEP or BIP. If the conduct was a zero-tolerance offense, the student can be placed in an alternative education setting for up to 45 days.

If the MDR determines that the conduct was not a manifestation, the student shall be disciplined in the same manner as non-disabled students would be for similar violations. Parent or school appeals of the MDR determination must be conducted within 20 days of notice of the MDR decision by the LEA representative. The representative has 10 days to render an appeal decision. During the appeal process, the student shall continue receiving disability services. Schools have the right to appeal to the special exceptions ruling if continuing IEP services is substantially likely to result in injury to the student or others. Students suspected of a disability should receive IDEA discipline protections if the school has knowledge that the student may have a disability before the behavior occurred. If the behavior occurs and the parent then alleges the child has a disability, schools should conduct an expedited evaluation. No discipline protections shall be provided until evaluation is complete.

- A description of the individuals responsible for carrying out the discipline policies which includes the job description and qualifications (at the administrative level); and

All Capstone Education Group schools have a behavior team that is responsible for ensuring that the discipline policies are in place and are being implemented with fidelity in schools. The Behavior Team consists of the Assistant Principal, Reset Coordinator and Counselor. Below are the job descriptions and qualifications for each position.

Assistant Principal

Qualifications:

Experience in leading adults in an educational setting desired
Ability to have firm, loving, honest conversations with students and parents
Belief in the need for consistent rewards, consequences and behavior systems across all classes and grades
High capacity for organization and communication
Strong interpersonal skills
Willingness to work within a network of aligned schools
Belief in the CEG mission and CEG blueprint for accomplishing the mission
Desire to collaborate with school leaders on existing campus and from other campuses

Job Description:

Create, communicate and execute schoolwide systems that lead to the achievement of school specific goals and the organization's mission
Be the primary owner of school culture, ensuring the organization's values are evident every minute of every day in every area
Ensure the consistent, replicable execution of school strategies and systems
Attend Leadership Team Meetings, Re-Set Meetings, Professional Development Meetings and work the administrative summer schedule
Work with the LT to visit and communicate with key people and organizations in the community, building support and understanding of the CEG approach to education and attend events and meetings as needed
Participate in the student recruiting process
Lead by example the joy, urgency, and value of educating students and working with students, families, and community members
Represent the Principal or Director of Special Education in IEP mtgs daily

Reset Coordinator

Qualifications:

Ability to create a calm classroom environment for ISS
Experience in an urban school setting
Experience directly related to behavior and/or education
Belief that there is not a more urgent task than to provide an outstanding education and to develop the character of students from low-income, urban backgrounds
An unwavering conviction that all students can achieve at high levels
Commitment to do whatever it takes to prepare all students for college success
Entrepreneurial spirit, passion and energy
Ability to work well in a team of high-performers
Goal-driven, self-reflective and analytical problem solver

Job Description

Lead Classroom each day for students still learning how to be successful in general education classrooms
Deliver and manage the work given to students to complete during re-set class
Record behavior and attendance of students
Contact parents as necessary
Work with the Behavior Team to design and implement outstanding school-wide behavior management plan to ensure all students achieve at high levels
Create and implement effective school wide systems that create a strong school culture
Devise and implement a plan for developing the character of students
Supervise after school detention hall

Counselor

Qualifications:

Licensed as a School Counselor in the state of Tennessee
Experience working with urban children or families
Experience directly related to behavior, social work or counseling
Desire to model and teach wise decision-making to middle school students
Belief that there is not a more urgent task than to provide an outstanding education to students from low-income, urban backgrounds
An unwavering conviction that all students can behave and achieve at high levels

Commitment to do whatever it takes to prepare all students for college success
Ability to work well in a team of high-performers

Job Description:

Reinforce character traits while being highly visible throughout the school day
Check in with students who need extra support in the classroom
Write, track, and provide all behavior plans to teachers for high need students
Develop and coordinate all 504 plans
Provide all counseling mandated by IEP's
Organize and run all small groups (friendship group; self-esteem group)
Lead and/or assist in organizing sexual education and gang education and prevention
Provide counseling support as needed, based on circumstances in or outside of school that arise that prevent or impede on the student's ability to be successful in the classroom
Support the school and students as part of the staff, including breakfast, lunch, transitions, large group settings and other areas as needed

- Discuss how students and parents will be informed of the school's discipline policy.

During registration, all Cornerstone Prep School students and families will receive the discipline policy as part of the Family and Student Handbook. During the first week of school, explicit teaching of the discipline policy will be conducted as part of onboarding of students. Finally, during CPS' first Open House, a presentation of the Family and Student handbook will be provided to parents as well. Then, each week, students and parents receive a summary report of the choices made by the student.

- (f) Provide the student discipline policy as **Attachment C**, if not already included in **Attachment B** of the school handbook.

The student discipline policy is found in Attachment B

- (g) If you plan to adopt the local district or another school's policy, explain how this policy aligns with your mission, vision, and goals.

We do not plan to adopt the local district policy.

1.11 Marketing, Recruitment, and Enrollment (prior to school opening)

In this section:

- (a) Provide as **Attachment D** the school Enrollment Policy, which should include the following:
 - Tentative dates for the application period and enrollment deadlines and procedures, including an explanation of how the school intends to receive and process application forms (considering the LEA's open enrollment and lottery schedule);
 - Nondiscriminatory admission policies, pursuant to T.C.A. § 49-13-107;
 - Any proposed articulation plans or agreements, pursuant to T.C.A. § 49-13-113;
 - An explanation of the purpose of any pre-admission activities for students or parents; and
 - Policies and procedures for student waitlists, withdrawals, re-enrollment, and transfers.
- (b) Describe how parents and other members of the community will be informed about the school.

Parents and other community members will be informed about CPS through our Capstone Education Group main website, Instagram page and Facebook page. In addition to the use of social media, we will visit neighborhoods to distribute school flyers and form relationships with key stakeholders in the community. We believe that as we form relationships with community members, more people become informed about the school through word of mouth.

CEG may use other tools, such as mailings, billboards, open houses, home visits, apartment complex canvassing, neighborhood walks, radio and TV ads and other media outlets. CEG plans to attend the annual charter school fair and other places where parents may be seeking information about school options for their children.

- (c) Describe your plan to recruit students in your pre-opening year, including the strategies, activities, events, and responsible parties. Include a timeline and plan for student recruitment/engagement and enrollment, with benchmarks that will indicate and demonstrate suitable recruitment and enrollment practices over time.

The Director of Public Relations and Recruitment and principal will be responsible for all student recruitment initiatives for Cornerstone Prep School. This person will work with the Executive Director to develop and execute the student enrollment plan to reach enrollment targets for CPS. Example responsibilities include the following:

Proactively meet with parents and community members during the critical March-August student recruiting period
Develop and execute marketing strategies
Attend recruiting fairs and community events to recruit students
Conduct home visits with new and returning families
Stay connected with parents over the summer, proactively calling them, encouraging them and answering questions they may have and working with them to ensure that their child is prepared to start school in August

To recruit students for the pre-opening year, CPS will employ the following recruitment strategies:

- Open House
- Community Visits
- Canvassing
- Block Parties
- Social Media
- Recruitment Fair

Noted below is the timeline and plan for the implementation of the student recruitment plan.

Date	Recruitment Strategy
August 2020	Mailers will be sent to homes throughout the community for rising kindergarten and first grade students. Volunteers from Capstone Education Group will canvass the neighborhood to share information and answer questions about CPS. Volunteers will include board members, Spanish Speaking Staff and members of our Special Education department.
September	CPS leaders will meet with community leaders and businesses of the identified locations to discuss needs of the community as well as promote the information sessions that will occur in October and December. Volunteer teams will continue to distribute flyers throughout the community.
October- November	Information sessions will be hosted within the community center and other central location in the neighborhood. Families will have the opportunity to ask questions about the school and sign up for the first Open House event in December
December	CPS will host its first open house (4 hour session). Families will receive information about the academic programs of the school. They will have a shortened simulation of the day in the life of a CPS student. Breakfast will also be served during this session. We will distribute commitment letters to families for the registration of their child in the new school. During the Open House session, we will recruit parent volunteers to become Parent Ambassadors. These parents will assist with the distribution of materials to friends and neighbors.
January 2021	CPS and CEG leaders will begin the first phase of the recruitment process. CPS leaders will meet with community leaders and businesses of the identified locations to discuss needs of the community as well as promote the information sessions that will occur in October and December. Volunteer teams will continue to distribute flyers throughout the community.
February- March	Information sessions will be hosted within the community centers and key locations in the neighborhood. Families will have the opportunity to ask questions about the school and sign up for the second Open House event in April.
April	CPS will host its second open house (4 hour session). Families will receive information about the academic programs of the school. They will have a shortened simulation of the day in the life of a CPS student. Breakfast will also be served during this session. We will distribute commitment letters to families for the registration of their child in the new school. During the Open House session, we will recruit parent volunteers to become Parent Ambassadors. These parents will assist with the distribution of materials to friends and neighbors
June	Registration Fair- CPS staff will host registration fairs. This will be the time where registration packets are distributed to families to bring to the Block Party
July	Block Party- The block party will be held at CPS. This is where we invite all prospective students and families to finalize their registration packets and get to know other prospective students

- (d) Describe how students will be given an equal opportunity to attend the school. Specifically describe any plans for outreach to: families in poverty, academically low-achieving students, students with disabilities, English learners, and other students at risk of academic failure. If your school has a specific area of focus, describe the plan to market that focus.

Cornerstone Prep School is open to all eligible students. CEG will execute the recruitment plan as described above, but will include the following strategies for specific subgroups:

Students with Disabilities:

In all recruitment materials, CEG will explicitly state the school serves all students, including those with existing IEPs and 504 plans, as well as those who have struggled academically in other school environments.

CEG will meet with community organizations that serve child clients with disabilities (and their parents) to make them aware of our capacity to serve students with disabilities (e.g., the Parent Academy, the Department of Children and Families, Early Intervention Centers).

English Language Learners:

All promotional materials and applications will be printed in Spanish.

Spanish-speaking members of the school staff and parent community will participate at all community outreach events and information sessions to ensure that native Spanish speakers can fully understand our program and application process.

For students that may speak other languages, our EL teachers will reach out to translators to support with communication.

We will attend and distribute materials at organizations throughout Memphis that provide adult EL classes and our support to families from other countries. Those organizations include: Memphis Refugee Empowerment Program, World Relief Memphis and local libraries and colleges.

CPS prepares students for college success. All communication will highlight this emphasis and provide tangible examples of how CPS puts students on the path to college.

- (e) What established community organizations would you target for marketing and recruitment?
Consider pre-schools, civic groups, camps, summer programs, faith-based institutions, etc.

As we seek to forge relationships with families and community members, we will initially target the following community organizations for marketing and recruitment in addition to the relationship already begun and noted in question (f)

:

- The Exchange Club Family Center
- Agape Family Child and Services
- Memphis Public Library Service
- Memphis Refugee Empowerment Program
- World Relief Memphis
- Preschool, day care and Head Start programs
- Local churches and synagogues
- Memphis Education Fund
- Tennessee Charter School Center
- Stand for Children
- Local Community Redevelopment organizations

These organizations work with many communities within Memphis which will help with reaching out to more families.

- (f) Describe what has been done to assess and build parent and community demand for your school and how you will engage parents and community members from the time that the school is approved through opening.

CEG has contacted many individuals working and living in the community to assess and build community demand for the school. Pastors, community leaders, parents, University officials, non-profit organizations, educators and others provided the following comments about the need for a school like CPS in Sherwood/Parkway Village:

- Parkway Village schools need better teachers like CEG has in ESL because “the community has a large Hispanic population and often there aren’t enough qualified ESL educators to effectively manage the load.” Parkway Village Community leader.
- “Sherwood Elementary and Jr high are failing schools” but the children have “great potential.” University of Memphis official.
- Parkway Village needs a college prep school because “students should understand that there is a time, place, and audience where slang is appropriate, but there is also a time, place, and audience where they will have to utilize proper English and grammar.” Parkway Village Community leader.
- We need a college prep school like CPS “because if kids can’t read, they can’t graduate.” Sherwood Neighborhood Pastor.
- Parkway Village Schools “need to find more ways to support teachers...creating more time in the school day strictly designed for teachers to do paperwork and other tasks so they could go home be refreshed for the next day....classrooms need interns or assistants whose role would be to support the teachers.” Parkway Village Community leader.
- We need better community schools who can teach kids better “by actually helping them to stay on grade level.” Sherwood Neighborhood business owner.
- A former educator mentioned that in Parkway Village the students needed SPED services like CEG offers, noting “that the district was too large and that some processes needed to be simplified” and that “students with special needs are often being taught by teachers who are not as skilled as they should be.”
- A local Pastor said schools need to have good after school programs like CEG offers because kids benefit “by having after school programs, and partnering with organizations such as Girls Inc, Boys Club, etc.”
- When asked how students in Parkway Village were doing, a Boys and Girls Club staff member stated, “the reading levels of students is a concern.”
- A former educator noted that Parkway Village “schools do not do a great job of effectively addressing the post- traumatic stress or the emotional needs of students. She believes that this can have a great impact on how students perform at school.”
- Sherwood needs better schools that have “dedicated teachers.” Sherwood businesswoman.
- Parkway Village needs schools that can provide technology like CPS because “a lot of the technology the school has is outdated or broken.” Parkway Village Boys and Girls Club Staff Member.
- Parkway Village needs a school with high expectations because “if the expectations are set then students will rise to meet them.” Parkway Village leader.
- Sherwood needs character education like CEG offers because “what they learn in school will flow outside of school in their lives.” University of Memphis official.

CEG believes these comments provided by influential members of the community, and dozens of other comments like them, express a community desire for improved schools in the Sherwood/Parkway Village area.

CEG will continue to engage parents, community leaders, pastors, educators, business, and local officials after receiving approval to open CPS. At that time, the school principal will be in place and can lead the relationship-building process and can begin to ask more detailed questions about how best to meet the needs of students in the community.

(g) Provide the following as **Attachment E**:

- Any documentation of pledged support from prospective partners; and
- Letters of support, memoranda of understanding, or contracts that indicate the proposed school is welcomed by the community in which the school intends to locate, is viewed as an attractive educational alternative, and reflects a community's needs and interests.

CEG has existing agreements and/or partnerships with the following organizations that we believe would continue to provide support at CPS:

- Communities in Schools
- Memphis Teacher Residency Program
- Le Bonheur
- Teach For America
- Agape North
- Christ Community Health Services
- Christ Methodist Church
- Arise to Read
- Memphis Athletic Ministries
- Southern College of Optometry

1.12 Community Involvement and Parent Engagement (after school opens)

In this section:

- (a) Describe student recruitment after the school has opened. How will it differ from pre-opening recruitment?

The Director of Public Relations and Recruitment will work with the CPS Principal to recruit students after the school opens. Recruitment after Year 1 includes retaining all rising 1st and second graders and recruiting new kindergarten students. The leaders will connect with all existing parents in April of the first year, getting commitments from parents for Year 2.

Recruiting new kindergarteners begins during the fall of the first year. The Director of Public Relations and Recruitment will begin to connect with current pre-k and Head Start families throughout the city, inviting them to come see the new CPS. Tours will be given once per month. In addition, existing families will be given yard signs displaying the school logo and asked to put them in their yards. Social media will be used extensively to post regular pictures and updates of the founding classes, generating excitement for the next school year. Then, the Director of Public Relations and Recruitment will continue to use the systems and approaches used during the pre-opening to continue to attract additional students for Year 2.

- (b) Outline how the school will engage parents and community members in the life of the school (in addition to any proposed governance roles). Explain the plan for building family-school partnerships that strengthen support for learning and encourage parent involvement.

Cornerstone Prep School believes that the involvement of parents and community members is critical to the success of the students. CPS creates a variety of opportunities for all stakeholders to be involved in the education of children in the school. CPS will provide several opportunities for parent engagement during the summer before opening and once the school year begins. These events are listed as part of the school calendar. Sample events are listed below:

- Annual Title 1 Meeting
- Open house
- Literacy Night
- Math Night
- Black History Night Program
- Annual ELL Family Connection Night
- Donuts with Dads and Muffins with Moms
- Community Member Meet and Greet Events
- Principal Coffees
- Monthly Character Celebrations
- Quarterly honors programs
- Community members sharing with classes during community meeting
- Parent training events/classes
- Graduation Night for 8th grade
- 8th grade overnight stay out of town college visits
- 7th grade one day out of town college visits

- (c) Describe how parents will be informed and educated on all school policies and any commitments or volunteer opportunities the school will seek from, offer to, or require of, parents.

School policies, commitments and volunteer opportunities are first presented to parents during the registration and enrollment process. CEG requires all parents to sign a Parent-Student Compact which outlines the parental involvement policy.

There are numerous opportunities for parents and the school to work together in addition to the original compact. The school communicates via weekly parent newsletters placed in every child's homework folder, the parent bulletin board, parent teacher conferences, the grade level curriculum meeting held in the fall, report cards, returned daily and weekly assessments, signed daily homework, MAP, TCAP and TN Ready scores, and through regular communications with the School Leader or staff member.

Title I information is provided during the annual Title I meeting. At this meeting, CEG informs parents of all supplemental educational services that Title 1 funds provide for students such as extended school day, additional professional development for staff, during and after school tutoring, small group instruction, reteach, computer literacy, technology, co-teacher model, paraprofessionals, behavioral interventionists, and various reading and math supplemental curriculum.

During the first part of the year and again at yearend, Cornerstone Prep School will host a Tennessee School Improvement Plan (TSIP) meeting as an opportunity to seek feedback and ideas from parents and seek their assistance in planning for programs that will impact students and the school communities. During this meeting, parents will answer a series of questions as well as provide feedback on how things are currently working at the school as well as possible areas of improvement. Based on that input, the Title I plans and budget are prepared and approved.

Parents are encouraged to help with Friday celebrations, making copies, helping with arrival and dismissal, after school activities, or supporting teachers on certain projects. CPS will actively welcome and promote parents into the building always but will not require any defined number of volunteer hours or other commitments.

- (d) If already identified, describe any programs you will offer to parents and/or the community and how they may benefit students and support the school mission and vision.

Cornerstone Prep School will offer a variety of programs to parents that will benefit students as we work towards our mission. We understand that parent involvement at schools are often impacted by prior experiences with schools, therefore it will be our commitment to work on forging positive parent and family relationships. During our first Open House, the Director of Public Relations and Recruitment will illicit feedback from families for programs that they would like to see offered at CPS. From there, we will work towards fulfilling those requests. In addition to the requests made by families, CPS will hold the following programs/sessions:

- Parenting young children- How to effectively communicate and work with your child
- Homework Help-Once a week, time will be offered for parents to learn about their child's homework assignments for the following week. Teachers will teach parents the key content that will help with understanding the homework assignment.
- Family Literacy, Math and Science Nights- Provide parents with strategies on how to work with their children at home
- Computer classes for parents- This session will be led by the Computer Science Teacher and will offer parents training on basic computer skills

As parents learn new strategies and skills, this information will be transferred to students. Therefore, supporting our mission to equip students with the wisdom and knowledge necessary to succeed in college.

1.13 Existing Academic Plan (for existing operators)

In this section:

- (a) Describe any key academic plan features for the replication school that will differ from the operator's existing schools.
- (b) Explain why you would implement these different features, any new resources they would require, and the rationale for the variation in approach.

There are no plans to deviate from the existing CEG school academic plan.

1.14 Performance Management (for existing operators)

In this section:

(a) If different than the original application, describe any mission-specific educational goals and targets that the organization will have. State goals clearly in terms of the measures or assessments you plan to use.

CPS will have the same mission as all CEG schools. CPS will equip all students with the Wisdom and Knowledge necessary to succeed in college and to become leaders in their community.

CPS will fulfill the mission through the following goals:

- Ensure that all students currently below grade level grow at least 1.3 years as measured by NWEA's MAP, reducing their existing achievement gap
- Ensure that all students that are on grade level grow at least 1.0 years as measured by NWEA's MAP, keeping them on track for college
- Ensure that an increasing number of scholars are moving towards mastery and on track levels on TN Ready by adding 5 percentage points annually to the previous year's percentages in the Approaching, On Track and Master categories until surpassing the SCS district average.
- Ensure scholars come to school with a 95% attendance rate, arriving on time and ready to learn
- Ensure parents feel supported, heard and part of their child's success at school through annual parent satisfaction rates of 85% or more
- Ensure parents, community members and scholars work together to support student achievement through consistent volunteer opportunities, formation of a parent advisory committee, community events at the school and weekly parent communication from school leaders and teachers
- Ensure a powerful student culture that enables students to feel safe at school through the communication of clear and consistent expectations connected to the school's core values

(b) Explain how the organization will measure and evaluate academic progress of individual schools within your network throughout the school year.

CEG will measure the and evaluate academic progress of each school with data from the following assessments:

MAP: Students results from the Fall, Winter and Spring administration of MAP will be monitored by the organization and compared across similar schools

SWYK: Because there will be two elementary schools and two middle schools taking the same SWYK assessment each week (by grade and subject), the network can easily identify the academic progress or needs of an individual school, grade or teacher

9-week interims: Because there will be two elementary schools and two middle schools taking the same interim assessment (by grade and subject), the network can easily identify the academic progress or needs of an individual school, grade or teacher

Progress reports and report cards: Grades will be compared across the network on these regular parent communication tools

Historical results: CEG enjoys 6 years of academic results that can be used to measure and evaluate the progress of schools, grades and teachers

(c) Describe the organization's approach to academic underperformance for schools that fall short of student academic achievement expectations or goals at the school-wide, classroom, or individual student level.

CEG will use the following methods to address academic underperformance at all levels- school-wide, classroom and individual:

MAP: Schools are expected to complete MAP action plans for to address gaps after the Fall and Winter assessments. School leaders will inform the CMO Leadership team of next steps and any support that they will need from the CMO team. MAP action plans should identify student/classroom/grade level results, skills that will be addressed and the time during the instructional day they will instruct students on the

deficits. These plans may also include specific professional development plans for individual teachers and across the school.

The Executive Director, Director of Schools and Director of Academic Achievement will meet each with school leadership to review the progress of plans.

Weekly SWYK: Network leaders review weekly SWYK results and highlight underperforming classes. The school leadership team works with the Director of Academic Achievement to identify the cause of the underperformance and provides responses back to the network leaders and notes any adjustments that need to be made to the following week based on data.

Interim Assessments: Student results from quarterly interim assessments will be analyzed to determine student readiness for TN Ready. Teachers will create Corrective Action Plans during Interim Assessment data meetings, that will address the standards that students struggled with by homeroom. The week following week after Interim administration is Corrective Action Plan (CAP) week. This week is when the CAP action plans will be implemented.

- (d) Describe the organization's plans to monitor performance of the portfolio as a whole. What actions will you take if the network as a whole fails to meet goals? (e) Discuss how the organization assesses its readiness to grow and under what circumstances the organization will delay or modify its growth plan.

As stated above, the organization has a variety of methods for monitoring academic performance for individual schools and the network. The network also tracks cultural and leading measures, such as student and staff attendance, tardy, merits, demerits, homework completion, suspensions and other data that may indicate a school needs extra support. Network leaders review key data each week and watch for trends week over week.

The Executive Director reviews many of these critical success factors with the Governing Board. Should the entire network begin to miss stated goals and objectives, the Executive Director will be charged to gather both school and network leaders to identify an action plans to correct the issues and the measures to watch that would indicate the corrective actions are leading to the desired outcomes. Should the entire network continue to underperform, the Governing Board would meet, review the data and make the determination regarding the organization's ability to successfully grow. Poor performance, high employee turnover, under enrollment, lack of a leadership pipeline and lack of network capacity would all be reasons that the Governing Board would consider delaying or modifying its growth plans.

SECTION 2: OPERATIONS PLAN AND CAPACITY

2.1 Governance

- (a) Explain the governance philosophy that will guide the board, including the nature and extent of involvement by key stakeholder groups.

CEG understands that effective governance and management are critical to the long-term success and viability of any organization. The Governing Board ensures the organization accomplishes the mission and vision of the organization, connects with key stakeholder groups, operates in a fiscally responsible manner, meets stated academic goals and objectives and complies with all applicable local, state and federal laws.

The CEG Governing Board is a policy-making board and supervises the Executive Director of the school. The board delegates all school management decisions and functions to the Executive Director. The board may receive staff or parent complaints related to policy issues after concerned parties have addressed these issues with the Principal and subsequently, the Executive Director. Finally, all board members have CEG email addresses that allow for parents to reach out to any board members as so desired.

The Governing Board is composed of educational and business leaders in the city of Memphis. The Governing Board includes a person involved with more than 20 urban schools in Memphis, two attorneys, a leader of one of the largest foundations in Memphis that engages in several urban schools, a leading urban developer, an experienced former Memphis City Schools employee and a CEG school parent. Members of the board have successfully launched new schools and non-profit organizations throughout the city, providing evidence of their ability to build community relationships and support and launch new organizations that benefit the families of Memphis. The board's experience in education and commitment to the Memphis community make them an ideal group to lead a new school serving the city.

The Governing Board's experience in leading schools that are academically, operationally and financially successful provide a high level of confidence that all of these areas will be successful in the fourth CEG school. This experience includes running CEG that has generated positive cash flow each year, has been the highest performing network in the ASD since inception and has successfully grown from an organization serving 300 students to one that serves over 1400. Board members also sit on the boards of some of the most successful charter schools in the city. In addition, the Executive Director currently lead a school that is successful in all three of these areas as well.

This Governing Board is equipped to make the transition to a fourth school a smooth and effective process. They have proven their ability to make a school an educational and operational success, as well as ensuring an active and effective representation of key stakeholders. The board will operate in accordance with all required government and charter school laws and ordinances. The board's experience in public and private education, business, public affairs, and commitment to the Memphis community make them an ideal group to lead throughout the term of the charter.

- (b) Describe the composition and size of the governing board. Explain how the proposed governance structure and composition will ensure there will be active and effective representation of key stakeholders and will ensure the school will be an educational and operational success.

The Governing Board is organized through the Officer positions of Board Chair, Vice Chair, Secretary, Treasurer and Directors. The bylaws allow for a minimum of five members and a maximum of nine members. The Board Chair presides at all meetings, guides the board in the enforcement of all policies and regulations relating to CEG and performs all other duties normally incumbent upon such an officer. The Board Vice-Chair fulfills the responsibilities of Board Chair in his or her absence. The Board Vice-Chair leads or co-leads committees according to interest and expertise, and as needed, serves on a committee or advisory boards. The Board Secretary provides written agendas of the sessions of the full board and the meetings of the standing committees in advance. The Board Secretary distributes to board members appropriate background information on subjects to be discussed in advance of board meeting, prepares and provides written minutes to board members, files approved minutes, and maintains the official list of board members in accordance with procedure.

The Board Treasurer manages the board's review of and action related to the board's financial responsibilities. The Board Treasurer, along with the Finance and Audit Committee (see below), works with the Executive Director to ensure that appropriate financial reports are available to the board on a timely basis and are accurate and within budgeted levels. The board Treasurer and Finance and Audit Committee lead the annual audit process.

Currently, board members serve on one of two committees designed to ensure the school is an educational and operational success. The Audit and Finance committee provides extra time and focus on the financial viability of the organization, monitoring the organization from the budgeting process through the monthly accounting and financial reviews through the year-end audit conducted by a third-party certified public accounting firm.

The personnel committee serves to hold the Executive Director accountable for the educational and operational success of the organization. The committee reviews the Executive Director's performance as well as goals, objectives, survey results, academic results and discipline outcomes to ensure the Executive Director leads the organization to accomplish the overall mission.

The board also initiates frequent contact and communication with the key stakeholder groups. Board members meet with parents in various settings, attend school functions, interact with Shelby County School leaders, serve alongside other volunteers throughout the school year, meet with community leaders and review all parent and staff surveys to effectively gauge the satisfaction levels of all key stakeholder groups. For example, the Governing Board already contains a group of people representing many key stakeholders, including the Binghampton community, educational leaders, financial donors, influential executives and Memphis educators. The board built these relationships through intentional networking, meetings with community leaders, churches and families, open community meetings and through their extensive business, political and non-profit relationships through the city. The Board would build similar relationships in the neighborhood surrounding CPS.

At a minimum, the board meets on a quarterly basis, at least four (4) times per calendar year, at a regularly appointed time and place. Additional meetings occur as needed. The focus of the meetings varies but includes assessment of the school and Executive Director performance, financial review, legal and other issues, parent feedback, property issues, fiduciary responsibilities and overall assessment of the mission and vision.

Future board members and directors shall be elected by a majority vote of the incumbent directors. The Directors are elected at the annual Directors meeting held during the second quarter of the calendar year. The term of each Director is three (3) years, as determined by the Directors when in office at the time of the election of each Director. At the end of the three (3) year term, the Director may elect to step down or be nominated to serve a second three (3) year term.

The school and Governing Board comply with the Open Meetings and Open Records laws. Director and attorney Paul Edwards ensure that the board complies with all laws and meeting requirements. Board regulations are communicated to staff and parents through normal communication channels.

The board members have a duty to disclose potential issues related to the policy. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with Governing Board delegated powers considering the proposed transaction or arrangement. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Governing Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

An interested person may make a presentation at the Governing Board meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The Chairperson of the Governing Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the Governing Board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Governing Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

These structures and policies ensure an active and effective representation of key stakeholders and ensures that the school will be an educational and operational success.

- (c) Describe how the board will evaluate the success of the school, the school leader, and its own performance.

The Governing Board will use the Performance Management Plan, parent and staff surveys, annual school goals, parent feedback and other measurement tools to evaluate the success of the school, the school leaders and the board itself. The Performance Management Plan includes:

Academic growth and grade-level mastery as indicated by results including the Tennessee Comprehensive Assessment Program (TCAP), TN Ready, Measure of Academic Progress (MAP), Tennessee Value-Added Assessment System (TVAAS), and multiple in-house assessments.

Organizational strength by demonstrating fiduciary and fiscal responsibility, measured by annual budgets for each school year that demonstrate effective allocation of financial resources to ensure effective delivery of the school mission as measured by yearly balanced budget submitted to the Board and external, annual audit reports that demonstrate that CEG meets or exceeds professional accounting standards.

Enrollment indicating that CEG schools will be fully enrolled and demonstrate high levels of daily attendance and student retention, measured by attaining CEG student enrollment described in the enrollment plan at the beginning of each year and high levels of daily attendance and students who begin the school year at CEG remaining in the school throughout the academic year and re-enrolling for the following school year.

Parents demonstrate high satisfaction with the academic program and the clear and open communication of CEG that could be measured through annual average parent satisfaction with the academic program, as measured by an annual survey at the end of the school year.

- (d) Describe plans for increasing the capacity of the governing board. How will the board expand and develop over time?

At this time, there are no plans to expand the board, as advisory committees could be used to provide necessary feedback and input during the first 24 months of the transition to the new school. Should the board decide to expand, the process listed in the bylaws will be followed. New board members would receive orientation on CEG from the Executive Director and training on committee membership from the chair of the board.

- (e) Is the current board the founding board only or will it transition to a governing board upon approval? How will the transition take place? Provide a specific timeline by which the transition will occur.

The current board will continue as the Governing Board after approval.

- (f) Describe the training or orientation new board members will receive. What kinds of ongoing development will existing board members receive? Please note that Tenn. Code Ann. § 49-13-111 (o) requires annual board training, as certified by the Tennessee Charter Schools Association; documentation of this training must be provided to the chartering authority.

New board members receive training from the board chair and the Executive Director. They receive training and insight on how the board operates, tour the schools, review financial and academic data, review the approved charter agreements and meet key stakeholders.

Likewise, the current board members receive annual board training and development. Past training included certified Tennessee Charter School Association trainings, various other board certification presentations and on-line study and the hiring of a professional consultant to help equip and develop the board. The board also has conducted a retreat where short-term and long-term plans were discussed and developed. Each year the chairman reviews state provided options for meaningful board training and selects the training that best meets the needs of the board at that time. Then, the evidence of the training is submitted to the state for approval before the required deadline.

- (g) How will this board handle complaints? This process should be clear and follow an appropriate route for resolution of concerns raised by students, parents, and/or stakeholders.

It is important to provide parents with fair and reasonable access to the Governing Board and to ensure the day-to-day management of the school remains the purview of school leadership. To achieve this balance, CEG provides a clear communication and grievance policy published in its parent handbook. The policy requires parents to bring any concern first to the school leadership and then to the Executive Director. If after a good faith effort, the concern cannot be addressed with the school leadership, parents may submit a formal written complaint to the board. Forms and contact information are provided within the parent handbook. The board will redirect complaints to the school administration if no effort was first made to resolve them with the school administration or if they related to day-to-day management decisions. The board will only address complaints that require policy review or that indicate approved school policies are not being followed.

In addition to the grievance policy, parents may make public comment in regularly scheduled board meetings. The Governing Board meets formally at least once a quarter. During these meetings, parents or students may attend and make public comment. Families are notified of scheduled board meetings through school newsletters and announcements and other means in accordance with Tennessee Sunshine Law.

- (h) Explain plans for board member attrition. List all current and identified board members and their areas of focus or expertise roles in the following table adding rows as needed.

Full Name	Current job and Employer	Area of focus/expertise
<i>Paul F. T. Edwards</i> Secretary and member of the Personnel committee	Attorney, Evans Petree PC, 1000 Ridgeway Loop Rd., Ste. 200, Memphis, TN 38120	Legal, community relations, real estate, management, organization
<i>Thomas Matthew Marino</i> Vice chair	Executive Director, The Poplar Foundation, 6410 Poplar Ave, Suite 720, Memphis, TN 38119	School leadership, fundraising, community relations, policies
<i>Elliot Lemont Perry</i> Chair of the Personnel Committee	Community Adviser, The Poplar Foundation, 6410 Poplar Ave, Suite 720, Memphis, TN 38119	Community relations, parent engagement, fundraising
<i>Jay Darren Harvill</i> Chairman	Senior Vice President, Lipscomb & Pitts Insurance, LLC 2670 Union Ave Ext, Ste 100 Memphis, TN 38112	Financial ability, management, insurance, human resources, real estate, organization
<i>Camela Patrice Echols</i> Member of the Personnel Committee	Executive Director, Refugee Empowerment Program 1548 Poplar Avenue, Memphis, TN. 38104.	EL, Refugee populations, parent and community engagement
<i>Octavius Deshun Nickson</i>	Owner, Nickson General Contractors, LLC 1005 Tillman St. Memphis, TN 38112	Parent rep, community relations, operations, building maintenance
<i>Jason Dwayne Cook</i> Member of the audit and finance committee	Pastor, Fellowship Memphis 68 N Prescott Street	Community and parent relations, human resources,
<i>Scott Walker</i> Chair of the audit and finance committee	Senior Vice-President, First Tennessee Bank – 7640 Poplar Ave, second floor Germantown TN 38138	Finances, fundraising, human resources, policies

If there are life circumstances that cause them to need to step down, or as they roll off based on the bylaws, the chair will follow the board member nomination and replacement policy as found in the bylaws to ensure the board has the appropriate size, representation and roles filled.

Please include the following governance documents as **Attachment F**:

F1. Articles of Incorporation

F2. Proof of non-profit and tax-exempt status

F3. By-laws

F4. Code of Ethics

F5. Conflict of Interest Policy

F6. Board member resumes (including references)

F7. Board policies (including frequency of meetings, and policies on open meetings and open records)

2.2 Start-Up Plan

- Provide a detailed start-up plan for the school, specifying tasks, timelines, and responsible individuals (including compensation for those individuals).

Listed below is the detailed start-up plan for the school, specifying tasks, timelines and responsible individuals. Because CEG has many of the necessary infrastructure, documents, staffing, curriculum, etc, already in place and codified, only the incremental or tasks unique to CPS are listed below. All tasks that are part of the normal CEG planning process are not listed below but will include CPS once approved. Many of the individuals noted as “other” in the table below are individuals currently in the CEG organization or will be shared responsibility between a current CEG employee and the Director of Operations of CPS.

Compensation for new hires will be based on the CEG salary schedule and are included in the CPS budget in Year 0. Current employees will continue to be compensated at the current salary level and are part of the existing CEG budget.

The named individuals have the following titles and can lead the planning and start-up process:

Cornerstone Preparatory School	Proposed Prin	Dir of Par Eng and Com	Olamiyi	Sippel	Other	Apr-Aug	Sep-Dec	Jan-Jun
Start Up Plan								
P= Primary; S= Secondary; C= Consultant								
Task/ Planning Area/ Timeline								
Student Recruitment, Admissions and Communication								
Design informational flyer/packet		P					X	
Translate flyer into Spanish					P		X	
Post flyers and leaflets in communities		P					X	
Post flyer on website		S			P		X	
Identify community organizations to help with awareness generation		P					X	
Work with community organizations to generate awareness & interest	S	P					X	
Initiate broader recruiting and marketing campaign via advertisements, etc.	S	P					X	
Design student enrollment form		P				X		
Translate form into Spanish		S			P		X	
Make enrollment form available		P					X	
Post enrollment form on website		S			P		X	
Secure locations for information sessions		P					X	
Create sign-up sheets for information sessions.		P				X		
Host information sessions	S	P					X	
Write English press release		P					X	
Translate release into Spanish		S			P		X	
Distribute English press release.		S			P		X	
Collect enrollment forms.		P					X	X
Final day for enrollment form submission		P						X
Secure lottery announcer		P					X	
Secure lottery location		P					X	
Establish lottery protocol				P		X		
Highlight lottery date on website		S			P		X	

Post lottery date in local papers		S			P		X	
Practice lottery protocol		S		P			X	
Conduct admissions lottery		S		P			X	
Notify families of status.		P					X	
Establish wait list (or repeat lottery)				P				X
Confirm acceptances - home visits	P	S						X
Request student records - (send CMSD w/d info for students)					P			X
Receive student records					P			X
Facilities								
Work with commercial real estate broker to identify potential sites				P		X		
Hire gen. contractor & architect to view/evaluate potential sites				S	P		X	
Identify school location				P			X	
Sign lease or purchase agreement				P			X	
Secure financing or decide to use existing cash				P			X	
Perform renovations				C	P		X	
Obtain property insurance				P	S		X	
Pass final inspection and receive occupancy certificate				C	P			X
Fundraising								
Identify potential individual donors	C	S		P			X	
Develop strategy		S		P			X	
Write need statement		S		P			X	
Write and disseminate proposals to nat'l and local govt sources		S		P			X	
Write and disseminate proposals to local and nat'l foundations		S		P			X	
Identify prospects for cultivation		S		P			X	
Develop Board cultivation guidelines and strategies for targeting donors				P			X	
Plan and host series of events for securing donations				P			X	
Cultivate and solicit potential donors				P			X	
Administrative								
Purchase supplies and materials for program				S	P			X
Secure janitorial services				S	P		X	
Write family letter re: Parent Orientation	P	S						X
Mail family letter re: Parent Orientation					P			X
Call all families re: Parent Orientation		P						X
Prepare pre-opening Parent Orientation protocol and materials	P	S						X
Hold pre-opening Parent Orientation	P	S						X
Purchase materials and textbooks				P				X
Purchase standardized testing materials				P				X
Create student handbook, code of conduct	S			P			X	
Finalize school calendar				S	P		X	
Develop class configuration - classroom model	S		P				X	
Special Education								
Recruit SPED teacher	P		S					X
Identify SPED student population					P			X
Acquire student records - sped records					P			X
Activate child study teams - w/ SPED dir.	P							X
Secure parent approval					P			X
Develop IEPs - if needed (update and review)					P			X
Define service requirements for all SPED students					P			X
Calendar and schedule								
Finalize daily schedule	C		P				X	
Finalize school calendar			S	P			X	
Personnel								
Establish payroll					P		X	
Develop chart of accounts to track income, expenses, assets, liabilities, cash flows					P		X	
Develop cash flow plan					P		X	
Advertise/spread job descriptions		S			P		X	
Put together a literature packet on the school with information on: 1. Teaching calendar; 2. Professional development opportunities; 3.								

School mission		P					X	
Modify CEG job descriptions, flyers, and ads		P					X	
Design a filing/documentation process.	P						X	
Identify potential recruitment opportunities	S	P					X	X

- Describe what you anticipate will be the challenges of starting a new school and how you expect to address these challenges. This plan should align with the Start-Up (Year 0) Budget in the Budget Workbook.

CEG has been honored to start 3 new schools over the last eight years and is therefore aware of the many challenges related to opening a new school. While there are many challenges to launching a new school, CEG places those challenges in the following 4 categories:

1. Facility acquisition
2. Community engagement
3. Student recruitment
4. Staff recruitment

Each of these 4 challenges are addressed below.

Facility acquisition requires significant time, money and effort. CEG's Executive Director has significant experience in this area, having worked in this area in the early years of CEG and before founding CEG. The Executive Director will work with local commercial real estate agents, the Governing Board, and other Executive Directors and school leaders to identify potential school sites. Those sites may include existing, vacant or under enrolled school buildings, spaces available for renovation, or new site building. The Start-Up Budget assumes that CPS will begin in a leased space requiring some renovation. If needed, CEG has significant capital reserves that could be used to finance any renovations or land acquisition.

Secondly, community engagements can often be a challenging aspect of launching a new school. CEG believes that successful schools contain several critical stakeholders working together for the common good of the students and therefore community engagement and buy-in is critical to the success of the schools. Having been through the community engagement process twice over the last 6 years, CEG understands the need to be a good listener to parents, resident and community stakeholders during the early part of the community engagement process. CEG has already begun those conversations and will continue to develop these critical relationships in the Sherwood/Parkway Village area.

Student recruitment often becomes a challenging aspect of launching a new school. Frequently parents may be slow to trust new school leaders or new organizations. Fortunately, CEG provides parents with a Memphis based, proven organization that provides significant academic and relational components that can be helpful in overcoming initial hesitancy by parents. Since CEG currently runs a successful middle school, as well as two large successful elementary schools, prospective CPS parents will have multiple opportunities to see how CEG runs schools. CPS will also provide prospective parents will contact information of current parents so that prospective parents can speak with these individuals about their experience with CEG schools. In addition, CEG's academic achievement should allay any concerns about CPS' ability to provide a great education for its students.

Finally, recruiting teachers can be a significant hurdle in starting a new school. CEG employs more than 165 employees currently and will be able to bring some of these new staff members to CPS. That will both reduce the number of new staff that need to be hired for the new school as well as create a foundation for recruiting new teachers and provide a foundation of stable, known teachers for CPS. Having launched 3 new schools in the last 6 years, CEG has found that teachers frequently want to be a founding teacher of a new school. This typically makes hiring for the first year easier than the two or three years after the school has been opened. Therefore, teacher retention is a critical measure in determining the difficulty in staffing a fourth CEG school after the initial opening. CEG has enjoyed low teacher turnover during the last six years. Teacher support such as volunteers, Deans of Instruction, a behavior team and a network of teachers, combined with a successful and joyful work environment, make for a very high retention rate in CEG Schools. CPS will utilize these and other successful practices to maintain a strong staff year after year.

The CEG budget already includes the compensation for existing CEG staff members and the Start-up (Year 0) budget includes costs for new expenses that will be incurred during the start-up phase.

2.3 Facilities

- (a) Describe the school's facility needs based on the educational program and projected enrollment, including: number of classrooms, square footage per classroom, classroom types, common areas, overall square footage, and amenities. Discuss both short-term and long-term facility plans. Demonstrate that the estimate included in your budget is reasonable.
- (b) Describe school facility needs, including: science labs, art room, computer labs, library/media center, performance/dance room, gymnasium and athletic facilities, auditorium, main office and satellite offices, work room/copy room, supplies/storage, teacher work rooms, and other spaces.

Based on the CEG blueprint for the existing elementary and middle school located in the same building in Binghamton, the following basic facility requirements would accommodate the proposed school plan:

- k through 8th grade – 27 classrooms at 1,000-1,200 square feet each
- Tutoring rooms – 3 classrooms of 600-1000 square feet each
- SPED rooms – 4 classrooms of 600-1000 square feet each
- EL rooms – 2 classrooms of 600-1000 square feet
- Emotionally disturbed classrooms – 3 classrooms of 600-1000 square feet
- Reset rooms – 2 classrooms of 600-1000 square feet

Common area space that would be ideal but not required for the proposed model are as follows:

- Cafeteria to seat a minimum of 175 students at tables
- Gathering space to conduct community meeting, with a capacity of at least 125 either on the floor or in chairs
- Library with space for books (accommodating 30 students would be helpful but not required)

Specialty classrooms that would be helpful but not required would be:

- Art room for 30 students
- Computer lab for 30 students

Administrative support/main office space needs:

- Administrative office space for Principal, Dean of Students, and Dean of Instruction (5)
- Front office and workspace for the receptionist and Administrative Assistant
- Teacher workroom, which can be most any space that can hold teacher supplies, copier and printer, and provide teacher desk space and telephones.
- A supply room is needed for storage of student and teacher supplies
- A copy room is needed for each floor or wing of the building (depending on the layout)

A gymnasium or multi-purpose space or outdoor play space is required in the CEG model to ensure adequate room for healthy activity during school hours. No other fields are essential to the school model.

CEG is very flexible and willing to accommodate the needs of other organizations within the same school building. Therefore, CEG feels confident that an arrangement can be made at an existing underutilized school or other shared space that would allow both schools to exist in the same building. However, should that not be an option, CEG would pursue the purchase and renovation of an existing building, building a campus from the ground up or the lease of existing space. The primary short-term needs would be to ensure a good facility that allows the school to launch in Year 1 in August 2021. The long-term need would be to ensure that the space adequately meets the needs of the students and organization for at least the ten years of the initial charter contract.

The overall square footage required, including items listed above and below, is approximately 80,000-110,000 square feet. This estimate is based on the existing school academic and culture blueprint and the space currently required to successfully execute that blueprint on our Lester Campus. Therefore, CEG believes the estimate is reasonable and uses 110,000 square feet as the square footage necessary at full capacity.

- (c) Describe the organization’s capacity and experience in facilities acquisition and management, including managing build-out and/or renovations, as applicable.

CEG’s board has considerable experience in facilities acquisition and management, including build-out and renovations. Board members have led similar ventures in business and education on previous boards and one member of the board is the owner of a construction company. In addition, the Executive Director has led multiple projects up to and including \$25 million acquisition and building project management.

- (d) Describe the process for identifying and securing a facility, including any brokers or real estate consultants you are employing to assist in finding a facility.

The Executive Director will work with local commercial real estate agents, the Governing Board, local and national philanthropic organizations, and other Executive Directors and school leaders to identify potential school sites. Those sites may include existing, vacant or under enrolled school buildings, spaces available for renovation, or new site building. In the past, CEG has worked with various commercial real estate brokers, Fleming and Associates Architects and Montgomery Martin Contractors to design, renovate or build. It is expected that CEG will once again work with these organizations. CEG has enough cash on hand to fund most project renovations. However, once a location has been selected, the Board will discuss the potential funding options, including fundraising, debt or other financing options.

- (e) Describe the plan for compliance with all Americans with Disabilities Act (ADA) requirements, all applicable city planning review procedures and all health and safety requirements per T.C.A. § 49-13-107. Include associated costs in budget details.

During former projects, CEG relied on the expertise of Fleming and Associates to obtain proper city planning reviews and approvals, zoning approval and evaluate and make necessary modifications to space to comply with the Americans with Disabilities Act (ADA) and all other health and safety requirements per § 49-13-107. CEG plans to continue to utilize Fleming and Associates for the acquisition of the facility.

- (f) Present a timeline with reasonable assumptions for facility selection, requisition, state fire marshal and health inspections, and occupation.

Cornerstone Preparatory School			Apr-Aug	Sep-Dec	Jan-Jun
Start Up Plan	Suppl	Other			
P= Primary; S= Secondary; C= Consultant					
Task/ Planning Area/ Timeline					
Work with commercial real estate broker to identify potential sites	P		X		
Hire gen. contractor & architect to view/evaluate potential sites	S	P		X	
Identify school location	P			X	
Sign lease or purchase agreement	P			X	
Secure financing or decide to use existing cash	P			X	
Perform renovations	C	P		X	
Obtain property insurance	P	S		X	
Pass final inspection and receive occupancy certificate	C	P			X

- (g) Broadly describe a contingency plan, should your facility fall through.

Should the facility fall through, CEG would utilize the many relationships with schools, churches and business to locate a temporary location to launch the school. CEG has done that twice previously, sharing space with a high school on one occasion and sharing space with a church on another occasion. CEG feels confident that the wide range of relationships developed over the years at CEG and many life-long Memphians on the school board would lead to a temporary contingency location if needed.

- (h) List any properties you may have already identified as suitable.

CEG has explored some viable options but has not finished the due diligence process to be able to describe them as “suitable” at this point.

2.4 Personnel/Human Capital

- (a) Describe the school's proposed leadership structure. Include a copy of the school's organizational chart at Year 1 and at full capacity and highlight the areas of this structure that relate directly to the school's vision and mission as **Attachment G**. The organizational chart should clearly delineate the roles and responsibilities of – and lines of authority and reporting among – the board, staff, any related bodies (such as advisory bodies or parent/educator councils), and any external organizations that will play a role in managing the school.

As CPS strives to achieve the organizational mission, the effectiveness of the school will depend on the capacities of school leadership. The school leaders at CPS must have the shared desire and belief that all students can achieve. During the eight years of existence, CEG has used a leadership structure that has proven to be effective. The school leadership team will consist of the Principal, Assistant Principal, Deans of Instruction in k-2, 3-5 and 6-8 ELA/SS and 3-5 and 6-8 in Math and Science, and Dean of Operations. Each member of the leadership team plays an important part in the implementation of the school's mission.

The entire school staff reports to one of these leaders. The Principal leads the leadership team, the DOIs lead the teachers for their respective subjects, the Assistant Principal leads the Behavior Team and the Dean of Operations supervises the office staff. All the staff members identified on Attachment G directly support the school's vision and mission. The CEG network provides extra support as found on Attachment M.

- (b) If identified, describe the capacity of school leadership in terms of skills, experience, and available time to identify and respond to the needs of the staff and students. Provide resumes for school leadership and previous student achievement data for the individuals responsible for academic programming (if available) as **Attachment H**.

- (c) Give a thorough description of the process for hiring the school administrator. Explain how the school leader will be supported, developed, and explain the state-approved evaluation model used for the school administrator, pursuant to State Board Policy 5.201.

We believe we will have the school administrator (principal) hired before the end of February. We have used a very similar process as the one outlined below for the Assistant principal.

The principal is supported by the Director of Schools (often called a principal manager). The DOS meets weekly with each principal, using an agenda based off Uncommon School principal manager meeting protocol. The protocol includes data review, personnel check-in, focus on special populations and at-risk students, leader status and a school walkthrough.

In addition to the one-on-one meetings, all CEG principals meet regularly during network-wide principal meetings. The Executive Director and DOS work together to build the agenda for these meetings, which also include principal-only meeting time to share concerns or best practices.

CEG also contracts with Uncommon Schools and Relay to further develop and support principals.

CEG currently uses the state-approved evaluation model for teachers and principals, pursuant to State Board Policy 5.201. The new principal will be evaluated using this same process.

- (d) Describe your strategy, plans, and timeline for recruiting and hiring additional key staff, including, but not limited to, operational staff, administrators, and teachers. Explain other key selection criteria and any special considerations relevant to your school design.

Once approved, CEG will post internally and externally the positions needed for next year. The first set of postings will be for the other school leaders. It is important that the Principal has a leadership team that is also involved with the hiring process of other staff members. The first leadership member hired will be the

Dean of Operations. That will allow a school-based leader to participate in the many decisions needed to prepare the building for school opening. This position will begin no later than January 1, 2021.

Following the hiring of the school leadership team members, the next set of position are the core teachers in grades k and 1. Finally support staff, sped staff and EL staff will be the next wave of job postings and interviews.

The information below reflects the face to face interview process for each position in CPS.

Assistant Principal

Getting to know you
Group interview with school and network leaders
Vision Question Set
Organization Question Set
School Walkthrough
Glows/Grows of Walkthrough
Role plays
Behavior Plan Analysis

Dean of Instruction

Getting to know you:
School panel introduction
Candidate introduction
Provide Candidate with the job description

Lesson Plan Analysis:

Instructional leader will describe the different components in the lesson plan.
Candidate will review lesson plan to determine areas of improvement.
Candidate will revise lesson plan based on identified areas of improvement.
Candidate will provide feedback on the lesson plan.

Time Management and Prioritization:

Candidate will prioritize activities and create a schedule of how to handle various situations.

Feedback and Coaching Activity:

Candidate will summarize findings with glows and grows.
Candidate will share three-week coaching plan based on their observations of video.
Candidate will deliver feedback and coaching plan to teacher (simulation).

PD Presentation:

Candidate will present PD with the following components:

- An agenda
- Handouts for teachers or a detailed facilitator's guide

Teacher Interview Expectations

- Getting to know you: (5 min)
 - Panel introduction
 - Candidate introduction

- Lesson plan analysis: (10 min)
 - Instructional leader will describe the different components in the lesson plan.
 - Candidate will review lesson plan to determine areas of improvement.
 - Candidate will revise lesson plan based on identified areas of improvement.

- Teach Me Too: (10 min)
 - a. Based on the revised lesson plan, candidate will teach the lesson to the panel.

- Panel Discussion: (5 min)
 - Panel will discuss amongst themselves glows and grows of teacher demonstration.
 - Panel will provide candidate with feedback.
 - Candidate can ask questions about the process.

Below is the timeline for hiring and staffing Cornerstone Prep School.

Month	Position(s)	Hiring Strategy
August	CPS is approved	
September	Assistant Principal Dean of Instruction k-2 Dean of Operations	<ul style="list-style-type: none"> • Internal Posting for leader positions • External posting using job boards such as Indeed, • Round 1 of interview process (completion of online screener)
October	Assistant Principal Dean of Instruction k-2 Dean of Operations	<ul style="list-style-type: none"> • Round 2 of interview process (face to face interview where candidates engage in activities that are similar in)
November	Deans of Instruction and of Operations and Assistant	
	Principal receive offers to join the CPS Leadership team with the Principal. Dean of Operations starts January 1, others start at the beginning of the school year	
December	3 k Teachers 3 1 st grade Teachers	<ul style="list-style-type: none"> • Internal posting for teacher positions • External posting using job boards such as Indeed. • Round 1 of interview process (completion of online screener)
January 2021	3 k teachers 3 1 st grade teachers	<ul style="list-style-type: none"> • Round 2 of interview process (face to face interview which includes a teaching demo)
February	Core classroom teachers are hired	
March	2 Special Educators 1 EL Teacher 2 Specials Teachers	<ul style="list-style-type: none"> • Internal posting for teacher positions • External posting using job boards such as Indeed • Round 1 of interview process (online screener)
April	2 Special Educators 1 EL Teacher 2 Specials Teachers	<ul style="list-style-type: none"> • Round 2 of interview process (face to face interview which includes a teaching demo)
May	All Staff hired	

A critical component of the interview process is mission fit. CEG works diligently to ensure that candidates believe in the model used to educate low-income students. CEG will continue to partner with MTR in placing teachers in CPS, as MTR aligns with the mission and values of CEG. CEG has started to have these conversations with the leaders of MTR. MTR goes through the same interview process as all other candidates.

The CEG interview process is also designed to assess a candidate's will to receive consistent feedback and their skill in implementing that feedback. The interview process described above provides the CEG approach for finding outstanding staff members aligned to the mission of the organization.

- (e) Explain how teachers will be supported and developed. Describe the policies and procedures for evaluating staff, providing feedback, and celebrating excellence.

CEG believes developing teachers is the most important work of our school leaders. Since effective teachers are the strongest drivers of student achievement, our ability to meet our mission depends on our success in developing our teachers. CEG uses coaching, professional development and observation and feedback to support and develop the staff.

The school schedule and calendar display CEG's value placed on teacher development. CEG invests three weeks of summer professional development, at least one hour of intentional planning time each day and 2.5 hours every Friday to teacher development.

Coaching: A significant investment of time is spent on coaching teachers. Teachers receive Coaching plans that are based upon the individual needs and goals of a teacher for a 3 to 4-week cycle.

These goals are aligned to the Capstone Teacher Rubric and the expectations that are outlined in the instructional and culture blueprints. Coaching plans are adjusted based on the performance of the teacher and students. School leaders at CPS are expected to spend 75% of their time directly supporting teachers through the following methods:

Live Coaching: School leaders are providing in the moment feedback to teachers in the classrooms.

Modeling: School leaders model lesson for teachers in order for the teacher to see the expectation in action.

Culture Recharge Sessions: The sessions occur before and/or after school. It consists of a small group of teachers who all need practice on the same key teacher moves.

Video Reflection: This is a powerful mechanism for teachers to see the actions they are/are not taking and the impact this has on scholar learning. A protocol includes capturing footage, viewing a portion of the video using a reflection template, sending the reflection to the coach, and debriefing the reflection and practicing during a coach-teacher check-in.

Practice Sessions: These are used to support teachers who need additional support with a variety of elements within the Deliver Effective Instruction Domain. Teacher's model specific elements of their lesson as if the audience, School Leaders and/or Teacher Leads, were students in the classroom. The teacher receives real time feedback in order to adjust in the moment.

Professional Development: PD equips all teachers with the wisdom, knowledge and tools to become masters of their content area and successful facilitators of learning. In these sessions, teachers learn, practice, share and reflect on research-based strategies. Types of PD sessions include:

Unit Preview Sessions: These days are opportunities for teachers to dig deeper into the skills and resources they need to be successful in the upcoming 9 weeks.

Weekly school-based PD: These sessions are differentiated to meet the needs of schools and teachers. It is based on data trends from the Teacher Observation Rubric, student data, and instructional walkthroughs.

Data Meetings- Data meetings are the first hours of the weekly professional development sessions, which allow teachers to analyze student performance on SWYK quizzes.

Observation and Feedback: The Teacher Rubric guides the organization on teacher instructional and culture expectations. Weekly observations are used to ensure that high behavioral and academic expectations are met using the Teacher Rubric. Face to face feedback is delivered with bite-sized action steps in order to ensure that change occurs immediately. Mid-Year and End of the Year Conferences are set to summarize the teacher's performance each semester. Those teachers who are exemplifying expectations on a consistent basis will be posted on the CEG website.

CEG budgets funds for school leaders to use to celebrate excellent staff members. Typical celebrations include schoolwide breakfast and lunch for staff after significant academic goals have been met, t-shirts, gift

certificates, CEG gear, website and social media shout-outs, section of staff member of the month, end of year party and other similar celebrations. The bonus portion of teacher compensation also provides a real, tangible celebration of teaching excellence.

- (f) Indicate the state-approved evaluation model used for teachers, pursuant to State Board Policy 5.201.

CEG uses the Capstone Education Evaluation Model for all teachers. This model was approved by the state pursuant to State Board Policy 5.201.

- (g) Describe how the proposed school intends to handle unsatisfactory leadership or teacher performance, as well as leadership/teacher changes.

CPS leaders ensure that all staff meets expectations through the intensive coaching model. However, if there are staff members falling below expectations, the following steps are followed to address unsatisfactory leadership or teacher performance:

- Informal feedback from supervisor regarding performance concerns
- Formal, written feedback from supervisor, documenting specific performance issues
- If needed, a Performance Improvement Plan is created and signed by the employee, the supervisor, and the Executive Director
- Performance Improvement Plan is reviewed after 90 days
- If unsatisfactory performance continues, the staff member is placed on 30-day probation, with possible actions for continued poor performance clearly communicated
- Review of 30-day probation performance
- If performance is still unsatisfactory, the employee is terminated by the Executive Director

- (h) Define and elaborate on the procedures for hiring and dismissing school personnel, including conducting criminal background checks.

CEG strives to hire personnel that have the mindset, drive and organizational skills needed to fulfill the mission. Therefore, CEG engages potential candidates in a very rigorous hiring process. CEG's HR Specialist executes the hiring and dismissal process, which is as follows:

The HR Specialist will post vacancies on CEG's website and on various other job sites such as Indeed, Teach 901, Memphis Teacher Residency, etc. The posting will include the job title, mission of the organization, qualifications for the position and employee responsibilities.

The HR Specialist receives and reviews the resume, determines the validity of an active TN teacher license (if applicable to position) as well as fit for the desired role based on work experience and education. If accepted, the resume is passed along to the appropriate person in leadership to begin the interview process. If rejected, a rejection email is sent to the candidate.

The activities involved in the interview process provides leaders with an opportunity to see a candidate's ability to persevere and receive constructive feedback. The interview consists of the following activities: Completion of time bound Pre-Work Activities, Phone Interview, Teaching Demonstration lesson/Classroom observations with educational experts from the organization, Debrief of session, Final interview with members of the school's existing staff.

An email is sent to the HR Specialist to offer a contract to a candidate or not. For those that do not meet expectations, the HR specialist will inform potential candidates via email that they are not being considered for the position. For candidates who are being offered a position, the HR Specialist will send an offer letter and contract to the candidate. The HR Specialist emails the offer letter containing salary, position, start date, and first payroll date and the following statements:

"This offer is contingent on your ability to pass our mandatory drug screen, background check used to check the criminal records of the TBI and the Federal Bureau of Investigation (FBI), verification of employment eligibility (Form I-9), teaching certification and degree verification, and any other requirements

or contingencies upon which we agreed. Employment is with the mutual consent of the employee and Capstone Education Group. The employment is “at will” and either party has the right to terminate the employment relationship at any time, with or without cause. This “at will” relationship will remain in effect throughout employment unless specifically modified by an express written agreement signed by both the employee and the Executive Director or Human Resources Specialist.”

Also included in this initial email is the Employee Handbook and Signature Page of Receipt of Handbook, Employee Benefits Package. When candidate responds with acceptance of this position, he/she returns the offer letter and signed handbook page to the HR Specialist. The HR Specialist follows up via email with a New Hire Paperwork packet and information with forms including an I-9, w-4, how to complete the TBI background check and drug screening, and instructions on getting a physical and TB skin test. Results from background check and drug screening are sent directly to the organization. If the results back from the background check show “No Indication” and the drug screener is negative, employee submits completed New Hire Paperwork Packet to HR Specialist, and reports to his/her first day of work.

If an employee fails to meet the expectations of the organization after interventions such as Performance Improvement Plans, intensive coaching, etc., the employee will be terminated. The Human Resource Specialist and/or school leaders communicate the decision to the affected staff member. The Human Resource Specialist follows up with an email confirming the staff member’s last day of employment, final pay information, and information regarding COBRA. The employee returns all CEG property and receives a final paycheck on the following payroll.

- (i) Outline the proposed salary ranges and employment benefits, as well as any incentive or reward structures that may be a part of the compensation system. Explain the school’s proposed strategy for retaining high-performing teachers.

CEG follows a salary schedule for all teachers based on years of experience and the latest degree earned. The current scales based on educational level and experience of teachers is noted below:

Bachelor’s Degree	
Step	Salary
0	\$43,500
1	\$44,500
2	\$45,500
3	\$46,500
4	\$47,500
5	\$48,500
6	\$49,500
7	\$50,500
8	\$51,500
9	\$52,500
10	\$53,500

Candidates with a master’s degree receive approximately \$3500 more in base salary in recognition of their degree. CEG also provides significant bonus opportunities to all classroom teachers based on student achievement. Bonus amounts increase each year with CEG and range from \$3000 to \$10,000 based on teacher tenure with the organization. CEG leaders work with school leaders to determine the goals for each year after reviewing the academic data from the prior year.

CEG also uses salary ranges for all other positions, based on market rates and years of relevant experience. Employees of CPS will receive the option of the following benefits:

Benefits	Eligibility	Carrier
Medical Insurance	Full time employees, spouse & children to age 26	BlueCross BlueShield of TN
Telehealth Benefit	Full time employees and covered dependents	BlueCross BlueShield of TN
Health Reimbursement Arrangement (HRA)	Full time employees, spouse & children to age 26 (covered under the medical plan)	Consumer Choice Plans
Dental Insurance	Full time employees, spouse & children to age 26	Delta Dental of TN
Vision Insurance	Full time employees, spouse & children to age 24	Sun Life Financial/Assurant
Employer Paid Life and AD &D Insurance	Full time employees	Sun Life Financial/Assurant
Voluntary Life and AD&D Insurance	Full time employees, spouse & children to age 20 (26 if full time student)	Sun Life Financial/Assurant
Short Term Disability Insurance	Full time employees	Sun Life Financial/Assurant
Long Term Disability	Full time employees	Sun Life Financial/Assurant
Flexible Spending Accounts	Full time employees, spouse & children to 26	Consumer Choice Plans
Supplemental Benefits Critical Illness Accident	Full time employees, spouse & children to age 26	Sun Life Financial Assurant

CEG works diligently to attract and retain high-performing teachers. The school's compensation plan, combined with the opportunity for significant performance bonuses, provide a strong financial incentive for teachers to join and remain on the CEG staff. CEG also believes that passionate, skilled, focused people find great satisfaction in working on an important task with like-minded individuals. CEG realizes that employees like to be aligned on a vision and then allowed to have freedom to use their gifts to accomplish that vision. Therefore, CEG seeks to create the proper work environment for high-achieving individuals to accomplish great things while working for a worthy cause – namely, the academic success of low- income families in the Memphis community.

- (j) Explain the relationship that will exist between the proposed charter school and its employees, including whether the employees will be at-will and whether the school will use employment contracts. If the school will use contracts, explain the nature and purpose of the contracts.

CEG hires all employees as network employees assigned to a school or role. All employees are at-will employees governed by labor laws and the CEG procedures included in the employee handbook. Therefore, CPS effectively has no employees, as all employees are employed by the 501c3 known as Capstone Education Group, Inc.

CEG sends candidates an offer letter outlining expectations and salary and benefits. Candidates sign the offer letter, as well as the personnel policy. After passing the background check and drug test, candidates officially receive a contract stating their fixed salary and duties and other critical information and once signed and returned, the candidate becomes an employee of the organization.

- (k) Include a copy of the school's employee manual and personnel policies as **Attachment I**.

Complete the staffing chart below outlining your staffing projections. Adjust or add functions and titles as needed to reflect variations in school models.

Position	Start Up	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
Principal	.5	1	1	1	1	1
Asst prin		1	1	1	1	1
Deans		1	1	2	3	3
Teachers		9	12	15	18	21
Specials		2	2	2	3	3
EL/RTI		.5	.5	.5	1	3
Special Ed		2	2	2	4	5
Aides/Asst		1	1	1	1	2
Ops	.5	1	1	1	1	1
Counselor/behavior		1	1	2	2	3
Office/admin supp		1	1	1	2	3
Nurse		1	1	1	1	1
Total	1.0	21.5	24.5	29.5	38	47

2.5 Professional Development

- (a) Describe the expected number of days and hours for professional development throughout the school year and explain how the school's calendar, daily schedule, and staffing structure support this plan. Include time scheduled for collaborative planning and how such time will typically be used.

Professional Development plays a major role in the development of teachers. Capstone Education Group invests a significant amount of time in developing teachers through professional development throughout the school year. During the summer, new staff receive three weeks of intense professional development on behavior management strategies, instruction, and data analysis. Returning staff attends PD for two weeks with the emphasis on content acquisition. The final week of PD is dedicated to teachers practicing their day to day lessons in front of members of their leadership team in order to receive quick in the moment feedback.

After summer PD, Professional Development continues throughout the school year. During the school year, every Friday, students are released from school two hours early in order for Professional Development to occur. This provides time for staff to engage in data meetings, content specific Pd, behavior management strategies, and practice. The instructional schedule is developed in such a way that each Friday afternoon from 1:30-4:00pm, this time is dedicated to professional development. CPS will have 22 Fridays dedicated to Professional Development throughout the year. On Friday's students are released at 1:00pm, for PD to begin at 1:30. PD is approximately 2 ½ hours each Friday. That is a total of 55 hours for the school year.

The chart below describes the types of PD that will be available to staff throughout the school year.

Type of PD	Frequency	Allotted time	Description	Implications to Practice
Conference	3x a year (fall, winter, spring)	4 hours for conference; remaining time for school level needs	Participants will select 2-3 topics that directly drive the day to day work of providing instruction to all students. Topics range from differentiated instructional strategies, use of specific tools, and behavior strategies.	School leaders will receive the list of PD topics that participants attended. Schools will develop school teams (PLC groups) on further analysis of the topic and how it will be implemented in action. Leaders will follow up with
Interim Data Meetings	3 x a year	2 1/2 hours	Participants will analyze Interim Assessments and develop corrective action plans that will be implemented based on the standard(s) or skills students struggled with the most.	Teachers will walk away with clear next steps for instruction and or standards/skills that will need to be spiraled into the next curriculum.
MAP Data Meetings	3 x a year	2 1/2 hours	Staff will analyze Map data and develop plans as to when to incorporate or explicitly teach a skill till the next MAP administration	Teachers will walk away with clear next steps for instruction and or standards/skills that will need to be spiraled into the next curriculum.
RTI Data Meetings	1 x a month (last week of the month)	1 hour	Teachers will analyze progress monitoring data of Tier II and Tier III students to make the necessary adjustments to interventions	Teachers will walk away knowing next steps for implementation during guided reading or learning lab.
Network Level PDs	5 times a year	1 hour 30 minutes; remaining time dedicated to swyk data analysis	DAAs determine topics that are beneficial for the organization that most/all schools need based on either student data trends, CEG walkthrough trends, teacher rubric trends.	Network level Pds will help drive the focus for school level PDs.

- (b) Identify the person or position responsible for professional development.

The network level leaders (Executive Director, Directors of Academic Achievement and Director of Schools) provide schools with a road map of essential PD topics that are required for the month. School level leaders use data based on observations and student achievement to create PD topics that are school specific. School leaders share their weekly PD schedules with Network level leaders for approval. This process ensures teachers get systematic development as educators as well as receiving immediate support indicated by the weekly student achievement data.

- (c) Describe the core components of your professional development plan and how those components will support effective implementation of the academic plan. Be sure to address the areas of special education and English learners, including implementation of IEPs, discipline of students with disabilities, and communication with EL families.

Capstone Education Group uses professional development to train and equip teachers to provide outstanding instruction to all students. CEG identifies critical skills necessary to provide top-quality education and works with teachers both individually and in groups to build instructional capacity. Professional Development for CEG schools begins in the summer. New teachers to the organization, regardless of years of experience, will attend a three-week session while returning staff will attend at two-week session. Summer professional development focuses on curriculum, data driven instruction, aligning instruction to Tennessee Standards, and classroom management strategies. The Director of Academic Achievement, Director of Schools and Director of Special Education identify and plan the professional development topics. The Assistant Principal and the Deans of Instruction of the schools provide input to network leaders and implement the PD to the staff.

During the school year, professional development occurs every Friday afternoon. School and network leaders continue the work discussed during summer professional development with the use of actual student performance data to guide the sessions. School leaders identify student and teacher needs based on classroom observations, student performance data and teacher requests, and use Fridays to address those areas of concern. In addition, the network Director of Academic Achievement identifies required PD sessions that will be implemented across all schools. Below are sample professional development topics that will be administered across all CEG schools:

- Technology in the Classroom
- Teacher Rubric and the coaching cycle
- Aligning Curriculum, Instruction and Assessments
- Infusing Theory of Multiple Intelligences into the classroom
- How to use Descartes skills from MAP
- Analyzing student work to inform instruction
- Response to Intervention and Instruction
- Response to Intervention and Behavior
- Classroom Management Techniques
- Strategies to engage all students
- Writing across content areas
- Explicit Vocabulary Instruction

In addition to professional development topics that can be used across all disciplines, CEG also offers professional development sessions be subject/content area. Below are sample topics:

- English Language Arts
 - Close Reading Strategies
 - Tier II and Tier III vocabulary strategies
 - Creating Guided Reading Lessons
- Math
 - Concrete, Representational Abstract (CRA) Strategy
 - Using Manipulatives in Math
- Science
 - Understanding the new science standards
 - Inquiry based learning
 - Literacy in Science

The Director of Special Education and the Director of Academic Achievement provide professional development to all staff during the summer and throughout the course of the year. These PD topics focus on the needs of special populations. Some topics that will be addressed are the following:

- Understanding Your Student's IEP
- Tiered Intervention Systems
- Addressing the needs of gifted students
- Writing an appropriate IEP goal
- Progress monitoring

Network leaders work with EL teachers to provide summer professional development to all teachers regarding the special needs of EL students. Then, during the year, the EL teachers meet with classroom teachers during their planning periods or on Friday to discuss EL student data and make adjustments as needed.

- (d) Provide a schedule and overview of professional development that will take place prior to the school's opening. Explain the topics that may be included during the induction period and how teachers will be supported in delivering unique or challenging aspects of the chosen curriculum.

CEG allots three weeks to summer professional development. The daily schedule includes beginning at 8am and ending at 4pm. Summer professional development at CPS will focus on the following areas: Academic Acquisition, Culture/Behavior Management, and Technology and Tools. The topics associated with these areas are intended to prepare teachers for the first month of school.

Academic Acquisition Professional Development Sessions are intended to ensure that teachers become masters of their content areas. These sessions are led by the Deans of Instruction and the Directors of Academic Achievement. Training topics include the following:

- Instructional blueprint Overview-review of the instructional expectations of CPS
- Close Reading Phase I- Review components of Phase I, Read Like a Writer (and reader), practice
- Gradual Release Model- Discuss Gradual Release Model, make anchor charts, practice
- Learning Lab Review- How to plan a Guided Reading Lesson (Before, During, After), making flexible groups
- Literacy in Math- Collaborate across content on developing math skills in Science
- Nonfiction Reading in Science- Incorporating literacy in math including a problem solving protocol and constructed response rubric
- Writing PD- Discuss Writing Requirements, planning, and practice execution

Culture professional development sessions are designed to ensure that equitable disciplinary actions and a positive school culture will exist in Cornerstone Prep School. These sessions are led by school leaders in the organization. Training topics include the following:

- Dean of Your Own Classroom – how to set up, maintain and manage your classroom. How to use behavior interventions to individualize supports for students.
- Responsive Classroom – how to build classroom culture through morning meetings and daily check ins.
- Culture blueprint Overview – review and Q&A with practice of specific school-wide systems (including common signals, common language, incentives, etc).
- The school character trait program: developing common language, common lessons, common practices to teach these traits.
- Teach Like a Champion (TLAC) – PD on all behavior management and systems to set your students up for success (ex. Clear what to do, do it again). Modeling, practice, and scripting systems.
- Key Teacher Skills Training – High repetition practice on critical skills teachers need to support all students' social and emotional needs.
- Live School training – how to use Live School reporting on merits and demerits, iPads and parent app to provide value feedback on student behavior.

- CPI training on de-escalation training for all staff on how to properly address certain difficult situations with students.
- Trauma Informed Classrooms – understanding how trauma affects behavior.

Technology and Tools provides teachers with training on technological resources that are used in the schools. Training topics will include the following: Power Teacher, Live School, Illuminate, I ready and Fastbridges.

(e) Describe the plan to cultivate future leadership capacity.

CEG has a pipeline for future leadership opportunities through teacher leadership roles such as Grade Level Chair and Assistant Principal roles. We plan to offer effective teachers the opportunity to develop leadership skills through the mentorship by current leaders in the organization. These opportunities will give future leaders hands on practice on how to lead other adults. In addition to hands on practice, future leaders will be required to participate in monthly afterschool book studies. These meetings will be led by a CEG school leader and will focus on essential leader moves that promote others to follow.

CEG also offers a Leader Residency Role. The Director of Schools works with other CEG leaders to design and implement a program based on the individual, lasting from 2 months to 12 months, to develop future leaders of the organization. The Residency includes role plays, coaching, observations, participation in leader meetings, mentoring and other aspects designed to prepare a person for a future leadership role at CEG. Last year, two people went through the program and each is in a leadership role now.

(f) Explain plans for differentiating professional development for different groups of teachers, such as new versus experienced teachers.

After Year 1 of a school opening, CEG begins to differentiate professional development for teachers based on skill level. Teachers “earn” their way out of certain professional development based on the evaluation on the teacher rubric. Teachers who earn that designation will be asked to lead some of the professional development sessions and will also be allowed to choose areas where they would like to be developed.

(g) Explain how the school will provide orientation to teachers that are hired mid-year.

Teachers hired mid-year go through one week of orientation before teaching in the classroom. The week of orientation includes a “crash course” of the summer professional development agenda provided by the support services team, classrooms observations led by the principal and Dean of Instruction and then 2 days of preparing lesson plans.

2.6 Insurance

Charter schools must have appropriate insurance coverage. Applicants should check with their local districts to determine the necessary coverage amounts and if the local entity has additional insurance requirements. As **Attachment J**, please provide the following:

- (a) A list of the types of insurance coverage the school will secure, including a description of the levels of coverage. Types of insurance should include workers' compensation, employer liability, insurance for the facility and its contents, professional liability (directors and officers and teachers), surety bonds pursuant to Tenn. Code Ann. §49-13-111 (n) and sexual abuse; and
- (b) A letter of required coverage from an insurance company stating they will provide the required coverage upon approval of the charter application. The letter should include provisions for assuring that the insurance provider will notify the department of education within ten (10) days of the cancellation of any insurance it carries on the charter school, pursuant to Tenn. Code Ann. §49-13-107 (b) (19).

Note: if the proposed school intends to have school athletics, additional liability coverage will be required.

2.7 Transportation

(a) How will you transport the students to and from your school daily, if applicable?

Most students at CPS are expected to provide their own transportation. However, CEG schools are authorized to provide transportation services to and from school at no cost for eligible students. CEG will consider continuing this service within a limited area around CPS. The decision to offer such transportation and the parameters of that transportation will be dependent on the location of the school and its proximity to potential students as well as other school options located near CPS.

Should CEG decide to provide transportation, CEG may provide general education or special education services under the following guidelines:

All general education students enrolled who reside two (2) miles or more from the school may bring their students to one of the prescribed pickup and drop off locations under the following conditions: The student can get to an existing bus stop by the established pick up time for a bus already going to CPS; This transportation would not cause a student overload on the bus or otherwise result in any additional cost to CEG; This transportation is merely a courtesy based on the aforementioned conditions. If any of these conditions change, this transportation shall automatically terminate. CEG will attempt to provide two (2) weeks' notice to parents prior to such termination when possible; The CEG transportation request form shall state that the transportation is merely a courtesy and a privilege, subject to termination if any of the above conditions change.

The provision of such services, although not required for students other than those receiving special education services as determined by a child's individualized education program (IEP), is provided as a service to the general population in accordance with applicable federal and State laws. Regardless of circumstance, students with IEPs requiring transportation services remain eligible for such services after the 10th day of suspension. Criteria for bus ridership eligibility for the general population will be determined by CEG once the location of the school is finalized. Student use of transportation provided by the CEG is a privilege and continued eligibility to use the transportation services provided may be suspended and/or revoked for violation of applicable policies and rules.

The following adults are eligible for transportation on school buses:

- i. School employees in the line of duty and designated chaperones.
- ii. Director of operations or other administrators when observing, supervising or acting as chaperones
- iii. Teachers when supervising or chaperoning student groups, and parents or other adults when authorized as chaperones of a student group.

(b) How will you transport students to any extracurricular or after school activities, Saturday school, and/or field trips, where applicable. Also include budgetary assumptions and the impact of transportation on the overall budget.

CPS will transport students under the same expectations and guidelines when providing transportation to any extracurricular or after school activities, Saturday school or field trips. Students will be required to get signed permission slips for any such events.

The budget includes transportation expenses for general education and special education students and field trips based on its experience at existing CEG schools.

(c) If applicable, outline your proposed transportation plan as follows:

- Describe the plan for oversight of transportation operations (e.g., whether the school will provide its own transportation, contract out for transportation, request that a district provide transportation, or a combination thereof) and who on the school staff will provide this daily oversight;

Should CPS provide transportation, the Transportation Supervisor contact information is as follows:

Patricia Burns, Manager of Student Information and Business Systems, 416-3640,
pburns@cornerstoneprepmemphis.org

If transportation is provided, the CPS will utilize the following student-related incident reporting procedure. Student, family member, or community member contacts the Transportation Supervisor in writing to file the complaint. Alternatively, the complaint may be made in writing to the transportation service provider which will relay the request to the Transportation Supervisor.

Within twenty-four (24) hours of receipt, the Transportation Supervisor commences the investigation by contacting the service provider for any available recording of the described incident.

Within forty-eight (48) hours of receipt of a complaint, a preliminary report is issued to the Executive Director and Assistant Principal that includes the time and date of receipt of the complaint, a copy or summary of the complaint, the school bus driver involved, and any prior complaints or disciplinary actions taken against the driver.

The Assistant Principal conducts an investigation to determine if any school rules were broken during the described incident. The school discipline matrix will be used to determine the consequence of any confirmed cases.

Any student consequence is communicated in writing to the parent/guardian of the student. Within sixty (60) school days of receipt of a complaint, a final report is issued to the Executive Director in writing that includes any findings of the investigation and any action taken by the school in response to the complaint.

Listed below would be the driver related incident reporting procedure:

Student, family member, or community member contacts the Transportation Supervisor in writing to file the complaint. Alternatively, the complaint may be made in writing to the transportation service provider which will relay the request to the Transportation Supervisor.

Within twenty-four (24) hours of receipt, the Transportation Supervisor commences the investigation by contacting the service provider Supervisor for any available recording of the described incident.

Within forty-eight (48) hours of receipt of a complaint, a preliminary report is issued to the Executive Director and the service provider Supervisor that includes the time and date of receipt of the complaint, a copy or summary of the complaint, the school bus driver involved, and any prior complaints or disciplinary actions taken against the driver.

The service provider Supervisor conducts an investigation and the results of the investigation are returned to the Transportation Supervisor in a timely manner to assist in completing the final report within sixty (60) days of receiving the complaint.

Within sixty (60) school days of receipt of a complaint, a final report is issued to the Executive Director and other involved parties in writing that includes any findings of the investigation and any action taken in response to the complaint.

CEG contracts out its bussing service. Currently, Durham provides all transportation needs and it is expected that CPS will use Durham as well.

- Describe how the school will transport students with special transportation needs and how that will impact your budget; and

Should CEG decide to provide transportation, CEG may provide special education services under the following guidelines:

Students receiving special education services who have a current IEP indicating a need for special transportation services, regardless of distance

Students living within the designated miles for their assigned schools with a 504 plan that indicates a need for student transportation as verified by a physician (a completed Student Information Form must be on file at the school).

Any special education transportation will occur through Durham or another eligible, approved provider and will be in compliance with state and federal laws and regulations related to transportation services.

- Describe how the school will ensure compliance with state and federal laws and regulations related to transportation services.

CEG provides transportation for all 3 of its existing schools and is therefore very familiar with the state and federal laws and regulations related to transportation services. Patricia Burns, the Transportation Supervisor, will ensure that any general education or special education transportation will occur through Durham or another eligible, approved provider and will be in compliance with state and federal laws and regulations related to transportation services.

- Explain how you will ensure compliance with Tenn. Code Ann. § 49-6-2116

The process and staffing outlined above meets the requirements found in Tenn. Code Ann. § 49-6-2116

(d) If there are no plans to provide transportation, explain how you will ensure students can get to school.

See above.

2.8 Food Service

Describe the school's proposed food service plan and include the following:

- (a) A clear description of how the school will offer food service to the students, including how it will comply with applicable district, state, and federal guidelines and regulations;

CEG currently contracts with Shelby County Schools, who offers food service for all CEG students and ensures that all applicable district, state, and federal guidelines and regulations are followed. CEG provides SCS the required information collected through the enrollment process and SCS handles the process from that point forward, including setting the meal schedule, preparing and serving the meals, providing proper verification of meals served and the collection of the reimbursement. CEG plans to continue that process with the opening of CPS.

As required by the Tennessee Department of Education, CPS will work with SCS (or another vendor if needed) to:

A. Serve meals free to children from households whose income is at or below the free meal eligibility scale listed in the current income eligibility guidelines, or whose participation in SNAP (formerly Food Stamp Program) or Families First also called Temporary Assistance for Needy Families (TANF) or the Food Distribution Program on Indian Reservations (FDPIR) qualifies them for direct certification for free meals, or whose migrant, homeless, runaway or foster child status or other Federally-approved status as described in a policy memorandum issued by the United States Department of Agriculture, entitles them for categorical eligibility for free meals;

B. Serve meals at a reduced price to children from households whose income is at or below the reduced price meal eligibility scale listed in the current income eligibility guidelines and/or use other available resources for the student co-pay for reduced price breakfast meals (\$.30 per meal) or paid meals to serve breakfast meals at no charge to students who are eligible for reduced price meals or paid meals;

C. Set reduced price charges for lunch and breakfast at or below the maximum reduced price allowed by regulations and below the full price of the lunch or breakfast. Reduced price charges for lunch shall be set at \$.40 or less, reduced price breakfast shall be served free of charge to qualifying students using the state allocation provided under Session Law 21-345 or at \$.30 or less and reduced price snacks shall be served at \$.15 or less;

D. Ensure food is not used as a means of rewarding or punishing students for any purpose;

E. Ensure no physical segregation of, nor any other discrimination against, any child because of his/her inability to pay the full price. The names of children eligible to receive free or reduced price meals shall not be distributed, published, posted, or announced in any manner, and there shall be no overt identification of any such children by use of special tokens, tickets, identification numbers or any other means.

F. Operate the School Nutrition Programs so that no child shall be discriminated against on the basis of race, color, national origin, sex, age, or disability.

- (b) Include any plans to meet the needs of low-income students; and

The process noted above includes meeting the needs of low-income students, as all 3 existing schools provide education to more than 95% of students classified as low-income by federal poverty guidelines and all schools are covered by the Community Eligibility Provision.

- (c) How the school intends to collect free and reduced price lunch information from qualified families (including those schools that will participate in the Community Eligibility Provision).

CPS will work with SCS to send to each child's parent or guardian, a letter as outlined herein, including a household application for free or reduced price meals, at the beginning of each school year. CPS and SCS will follow a procedure and keep it on file for disseminating applications (school packets, email, website, or combination, etc.). This procedure must define if applications will be paper or electronic and how they will be returned. Parents will be responsible for completing a household application and returning it to the

school for review. Such applications and documentation of action taken will be maintained for three (3) years after the end of the school year to which they pertain. Applications are effective for one year. Any parent enrolling a child in a school for the first time, at any time during the year, shall be provided an application for meal benefits. Parents or guardians will be notified, within 10 working days, of the acceptance or denial of their applications. Children will be served meals immediately upon the submission of a complete application; children whose applications are approved for free meal benefits shall not incur charges during the application processing period. CPS and SCS will use data from the State Agency's Direct Certification Technology System to issue meal benefits to students who are directly certified for free meals and to notify the students' households of free meal benefits and allow the household the opportunity to decline free meal benefits should they choose to do so.

Public Law 111-296 allows certification of a foster child for free meals, without application, if CPS or SCS obtains documentation from an appropriate State or local agency indicating the status of the child as a foster child whose care and placement is the responsibility of the State or that the foster child has been placed with a caretaker household by a court. The foster child is categorically eligible and may be certified without an application. Households with foster and non-foster children may choose to include the foster child as a household member, as well as any personal income earned by the foster child, on the same household application that includes their non-foster children. This will streamline the application process and may help the foster family's non-foster children qualify for free or reduced price meals based on household size and income.

In processing the application, CPS and SCS would certify the foster child for free meals, and then make an eligibility determination for the remainder of the household based on the household's income (including personal income earned by the foster child) or other categorical eligibility information reported on the application. Foster payments received by the family from the placing agency are not considered income and do not need to be reported. The presence of a foster child in the household does not convey eligibility for free meals to all children in the household in the same manner as Food and Nutrition Services (FNS), Temporary Assistance for Needy Families (TANF), Food Distribution Program.

When an application is denied, parents or guardians will be provided written notification which shall include the following: the reason for the denial of benefits, (for example: income in excess of allowable limits or incomplete application); notification of the right to appeal the denial of benefits; specific instructions on how to appeal; and a statement reminding parents that they may reapply for free and reduced price benefits at any time during the school year. (Note: The reasons for ineligibility shall be properly documented and retained on file at the LEA level.)

2.9 Additional Operations

Describe the school's plan for supporting operational needs of the following:

(a) Technology:

- Describe how the school will ensure student access to technology required for state mandated assessments, include infrastructure requirements and costs in budget section;
- List the technology that will be required to meet the academic and operational needs of the school. Include any technology needed for classrooms, computer and science labs, library/media center, auditorium, main office, copy rooms, teacher work rooms, and other relevant spaces.

CPS will utilize the academic blueprint currently implemented at CEG and therefore CPS, will use the following technology in the classroom:

- 10 Chromebooks in each classroom
- 1 document camera and projector in each classroom
- 1 ipad for teacher use
- 1 laptop for teacher use

The CEG class schedule includes a computer class that will be taken by every student every year, ensuring students access and preparation for state mandated assessments. Depending of the facility, computer class will either take place in a designated computer room with 30 Chromebooks or the 30 Chromebooks will be on computer carts that will be transported to existing general education classrooms. This approach will ensure that all CPS student are prepared to use technology on the state mandated tests, the NWEA MAP assessment, and after graduation, high school and college.

The teacher workroom will have a high-volume copier and the entire building will have Wi-Fi services so that students and staff can send documents to the printer for printing.

The budget includes costs for the copiers, classroom technology, internet and communication fees and staff laptops and iPads.

(b) Student information management:

- Describe how the school will ensure compliance with the Family Education Rights and Privacy Act (FERPA) and state regulations regarding student privacy and disclosure of student data and records.

CEG abides by FERPA law, which is the Family Educational Rights and Privacy Act. FERPA guarantees certain rights to families with respect to their children's education records. CPS will adhere to the following FERPA standards.

FERPA stands for the Family Educational Rights & Privacy Act administered by the US Department of Education. FERPA guarantees certain rights to families with respect to their children's education records. Tennessee's laws regarding open records, contained in T.C.A. § 10-7-504, further refine the requirements for handling student records and information. Education records include anything that contains information directly tied to a student (i.e. personally identifiable) and is maintained by a school or education organization. These records span formats and include both print and electronic information. The law distinguishes between "education records" and directory information.

Directory information includes things that would generally not be considered harmful or an invasion of privacy if disclosed, such as name, address, photograph, and age. Directory information may not include things such as a student's social security number or grades. Schools are required to notify parents of what information they designate as directory information. If appropriately designated, directory information can be disclosed to anyone. However, parents must have the right to 'opt out' of having their child's information released. Tennessee law does not allow for schools to identify student achievement as directory information. Therefore, schools cannot post honor roll or other academic information without consent.

Under FERPA, a school must annually notify parents of their rights. The annual notification must include information regarding a parent's right to inspect and review his or her child's education records, the right to

seek to amend the records, the right to consent to disclosure of personally identifiable information from the records (except in certain circumstances), and the right to file a complaint with the DoE regarding an alleged failure by a school to comply with FERPA. FERPA exempts disclosure of records to school officials with a legitimate educational interest from parental consent. Therefore, the school must also notify parents of its definitions of the terms "school official", and "legitimate educational interest." The annual notification may be published by various means, including any of the following: in a student handbook, at annual registration, in a letter/notice to parents, or on the school's website.

Under FERPA, a school must provide a parent with an opportunity to inspect and review his or her child's education records within 45 days following the receipt of a written request. A school is required to provide a parent with copies of education records or make other arrangements if necessary (e.g. the parent cannot travel to the school to view the record.) Under FERPA, a school is not required to provide information that is not routinely maintained or to create new education records in response to a parent's request. Accordingly, a school is not required to provide a parent with special updates on his or her child's progress in school unless such information already exists in an education record.

Under FERPA, a parent has the right to request that inaccurate or misleading information in his or her child's education records be amended. While a school is not required to amend education records, it must consider all requests. If the school decides not to amend a record in accordance with a parent's request, the school must inform the parent of his or her right to a hearing on the matter. If, as a result of the hearing, the school still decides not to amend the record, the parent has the right to insert a statement in the record setting forth his or her views. That statement must remain with the contested part of the student's record for as long as the record is maintained. The FERPA amendment procedure exists to challenge facts that are inaccurately recorded. It may not be used to challenge a grade, an opinion, or a substantive decision made by a school about a student. FERPA was intended to require that schools keep fair records, not to override the standards and procedures for making academic assessments, disciplinary rulings, or placement determinations.

Under FERPA, a school cannot disclose personally identifiable information from a student's education records unless the student's parent has provided written consent. However, there are a few important exceptions to that rule:

FERPA allows "school officials," including teachers, within a school to access personally identifiable information contained in education records provided the school has determined that they have "legitimate educational interest" in the information. School officials can include: teachers, administrators, support staff, nurse/health staff, etc. As mentioned previously, a school must define both "school officials" and what it deems "legitimate educational interest" in its annual notification to parents. A school official generally has a legitimate educational interest if the official needs to review an education record in order to fulfill his or her professional responsibilities.

Another exception permits a school to disclose personally identifiable information from a student's education records, without consent, to another school or district in which the student seeks or intends to enroll. The sending school may make the disclosure if it has included a statement that it forwards education records in such circumstances in its annual notification of FERPA rights.

For students who are in state custody (including foster care), the Tennessee Department of Children's Services may access a student's educational records without parental consent, and school districts are not required to notify the parents of the child before releasing the information pursuant to a court order.

Authorized school officials may release or permit access to a student's education record, without consent, in the following circumstances. School or district officials will make a reasonable effort to notify the student's parent(s) or the eligible student before making a disclosure:

To comply with a judicial order or lawfully issued subpoena;

To comply with the requirements of child abuse reports to the extent known by the school officials including the name, address, and age of the child; the name and address of the person responsible for the care of the child, and the facts requiring the report;

When certain federal and state officials need information in order to audit or enforce legal conditions related to federally-supported education programs in the school system;

When the school system has entered into a contract or written agreement for an organization to conduct scientific research on the system's behalf to develop tests or improve instruction, provided that the studies are conducted in a manner which will not permit the personal identification of students and their parents by individuals other than representatives of the organization and the information will be destroyed when no longer needed for the purpose for which the study was conducted;

To accrediting organizations to carry out their accrediting functions;

To financial institutions or government agencies that provide or may provide financial aid to a student in order to establish eligibility, to determine the amount of financial aid, to establish conditions for the receipt of financial aid, and to enforce financial aid agreements;

To make the needed disclosure in a health or safety emergency when warranted by the seriousness of the threat to the student or other persons, when the information is necessary and needed to meet the emergency, when time is an important and limiting factor, and when the persons to whom the information is to be disclosed are qualified and in a position to deal with the emergency;

To the Attorney General or his designee for official purposes related to the investigation or prosecution of an act of domestic or international terrorism. An educational agency that, in good faith, produces education records in accordance with an order issued under this Act shall not be liable to any person for that production;

To any agency caseworker or other representative of a state or local child welfare agency or tribal organization authorized to access the student's educational records when such agencies or organizations are legally responsible for the care and protection of the student.

The need to maintain confidentiality implies that records should be stored in a safe and secure location. Student records are kept in a locked file cabinet or another location with equivalent security. If a parent has question, CPS will provide the following guidance:

Consult the following resources:

FERPA General Guidance for Parents: <http://www2.ed.gov/policy/gen/guid/fpco/ferpa/parents.html>

FERPA Revised Guidelines for State Educational Agencies and Local Educational Agencies:
http://www2.ed.gov/policy/gen/guid/fpco/pdf/sealea_overview.pdf

2 .Contact your child's school:

Families have the right to file a complaint with the U.S. Department of Education concerning alleged failures by the Achievement School District to comply with the requirements of FERPA. The name and address of the office that administers FERPA is:

Family Policy Compliance Office
U.S. Department of Education
400 Maryland Ave., SW
Washington, DC 20202

(c) School health and nursing services:

- Describe your plan for compliance with the Coordinated School Health Program, including any plans to hire a School Nurse and a description of his/her role in the school
- Include who at the school will supervise the School Nurse and his/her role in ensuring compliance with health regulations.

CEG agrees with the expectations around the Tennessee Coordinated School Health Program. CEG seeks to connect physical, emotional and social health with education through their schools. Some of the components of the approach to be utilized at CPS are identified below.

No student will be denied an education solely because of a communicable disease, and his/her educational program shall be restricted only to the extent necessary to minimize the risk of transmitting the disease. Parents or guardians of infected students shall inform appropriate school officials of the infection so that proper precautions for the protection of other students, employees, and the infected student shall be taken. No student with a communicable disease which may endanger the health of either himself/herself or other individuals will enter or remain in the regular school setting. If a school Principal has reason to believe a student has a communicable disease which may endanger the health of either himself/herself or other individuals in the regular school setting, the Principal shall:

Assign the student to a setting which will protect other students, employees and the student himself; or

Exclude the student from school until certification is obtained from a physician or the County Health Department by either the parent or Principal stating that the disease is no longer communicable.

If the superintendent/designee has reason to believe that the student has a long-term communicable disease, the Principal must require confirmation from a physician or the County

Health Department as to the student's condition. If the student is confirmed to have a long-term communicable disease, the Principal shall refer the student for special education services.

The superintendent/designee may request that further examinations be conducted by a physician or County Health Department and may request periodic re-examinations after the student has been readmitted to the school. Expenses incurred from examinations requested by school officials shall be paid by the ASD. The names of all students excluded from school under this policy will be forwarded to the Office of the Superintendent.

Tennessee requires schools residing in school districts with pregnancy rates above 19.5 per 1,000 females ages 15-17 to implement family life education. Because both Davidson County and Shelby County exceed this threshold, CPS will provide an age-appropriate family life planning course that emphasizes abstinence until marriage and includes instructions for the prevention of HIV/AIDS and sexually transmitted diseases. Parents and legal guardians have a right to examine the grade level instructional materials and confer with school leaders regarding any or all portions of family life. A parent or guardian who wishes to excuse a student from any, or all, portions of family life shall submit a request, in writing, to the student's Principal. A student who is excused from any or all portions of family life shall not be penalized for grading purposes if the student satisfactorily performs alternative health lessons.

CPS will provide regular physical education classes for students in all grades taught by a certified teacher. The curriculum will align with the expectations of the state of Tennessee and will provide students with a variety of physical activities.

CPS also believes that the school environment communicates something to and about its students. Therefore, CPS seeks to create a healthy school environment that is safe, clean, and aesthetically pleasing. This aligns with the cultural expectation of the school and also shows students that they are valued and important.

CPS provides a fulltime counselor to be available to provide students support they need around emotional, social and mental health needs. CPS may also partner with organizations such as Communities in Schools to ensure that students get all of the wraparound services they need to be successful.

The CEG nurse, supervised by the Dean of Operations, will spend time at each of the CEG schools, including CPS. The nurse is responsible for many aspects of the Coordinated School Health Program, including, but not limited to the following:

Monitors compliance of school health program with federal, state and local laws, regulations and policies. Collaborates with other child-support agencies in designing and providing health support to students and families.

Administer daily and PRN (as needed) medications and nursing care procedures prescribed by the student's physician.

Provides first aid care and medically prescribed services.

Maintains security of school health supplies.

Serves as a resource person on health issues

Provides staff development on health-related topics for school staff and volunteers.
 Connects with provides to facilitate health screens and health appraisals for students and staff.
 Provides follow-up evaluations on students as required.
 Corresponds with parents on health needs of children.
 Works with school staff to ensure all students have proper immunizations before enrolling
 Records immunizations, health findings, and other relevant health data.
 Prepares health reports as needed.
 Be available to provide input to school leaderships or groups such as Child Study Team.
 Counsel with students concerning problems such as pregnancy, sexually transmitted diseases and substance abuse in order to facilitate responsible decision-making practices
 Implement and record required screening programs; notify parents when further medical evaluation is indicated.
 Prepare and maintain student clinic records and prepare required reports.
 Initiate emergency procedures for students and staff as needed.
 Work with other staff to develop Individual Health Care Plans and 504 Plans for students as needed.
 Orient the staff and teach specific medical procedures for the evaluation and maintenance of the medically involved student in the classroom.
 Present, train and maintain appropriate standards from OSHA regarding contact with, and possible exposure to blood borne pathogens and other potentially infectious body materials within the school or employment setting.
 Follow procedures for suspected cases of child abuse and neglect.
 Act as a liaison between the school, home health department professionals, and other community agencies.

(d) Safety and security:

- Describe your plan for safety and security for students, staff, guests, and property.
 Identify the person or position responsible for school safety operations;
- What will be the process and timeline for creating a school crisis plan?

CEG prepares plans for safety and security for students, staff, guests and property based on the needs of the school campus and stakeholders. The Director of Operations is responsible for school safety operations. Plans are currently in place at each of the existing CEG schools and will be created for CPS as well.

Some of the key roles and needs for the safety plan are listed below:

Incident Command: Principal
 Safety Official: School Security
 Public Information Official: Media Liaison
 Liaison Official: Liaison to Outside Agencies and Special Populations
 Planning/Intelligence: Situation Analysis
 Operations: Student Accounting and Release
 Operations: Facility and Environmental
 Operations: First Aid, CPR, Medical
 Operations: Crisis Intervention and Response
 Operations: Food, Water, and Sanitation
 Logistics: Communications
 Logistics: Supplies
 Administration and Finance: Documentation

The plan will also include:

- Identified locations for evacuations,
- Emergency transportation plans for locations requiring transportation,
- Student accounting procedures
- Student release procedures
- Communication plan with parents
- CPR and other emergency training for all staff
- Design and posting of emergency evacuation routes

As soon as the school location is identified, the school crisis plan can be created. The plan will be finalized during summer work and all staff will be trained on the procedures during summer professional development.

- (e) School maintenance.
 - Discuss the plan for school maintenance, including maintenance staff or plans to contract for maintenance services.

CEG currently contracts with GCA Maintenance Services to maintain the buildings for each of the three current CEG schools. CEG expects to continue this arrangement for CPS. GCA either performs or contracts with others to perform all the daily maintenance on the building. They bill CEG for services rendered. All work is approved by the director of operations before beginning work and then signed as completed before the invoice is paid.

- (f) Any additional operations as applicable.

Not applicable.

- (g) If you intend to contract with specific educational service providers, such as a charter management organization (CMO), please detail:
 - The name of the CMO or other partner organization if known;
 - Selection process and criteria;
 - Division of roles between the board and the service provider, and how conflicts of interest will be checked;
 - How performance of the provider will be measured;
 - Conditions for renewal and termination of the agreement;
 - Any monetary obligations of the CMO agreement; and
 - Include a copy of the CMO agreement as **Attachment K**, if available.

CEG does not intend to contract with specific educational service providers, such as a charter management organization (CMO).

2.10 Waivers

Pursuant to T.C.A. § 49-13-105, a sponsor of a proposed charter school may apply to either the local education agency or to the Commissioner of Education for a waiver of any state board rule or statute that inhibits or hinders the proposed charter school's ability to meet its goals or comply with its mission statement.

CEG does not intend to request any waivers at this time.

2.11 Network Vision, Growth Plan, & Capacity (for existing operators)

In this section:

- (a) Describe the network's strategic vision, desired impact, and five-year growth plan for developing new schools in Tennessee. Include the following information: proposed years of opening; number and types of schools; any pending applications; all currently targeted markets/communities and criteria for selecting them; and projected enrollments.

CEG aspires to be an organization that provides 2,400 elementary and middle school seats at 5 charter schools in low-income communities in Memphis by 2027. The schools, individually and as a collective network, will perform in the top 10% of ASD schools and be model schools replicable and sustainable by Shelby County Schools and be models for schools participating in community redevelopment. CEG expects to open a traditional k-8 charter school (CPS) in 2021-22 and then open either an ASD transformational school or second traditional charter school for the 2026-27 school year.

Whether through the ASD or traditional charter school, CEG will open the fifth school in an area of need. There is currently no application pending for this fifth school. The application criteria for an ASD school will be based on the ASD process combined with the new ESSA flowchart. Therefore, the type of school, enrollment and target market are undetermined at this point. Should the fifth school be a traditional charter school, the criteria for selecting the grade span and targeted market will be the same as the fourth school, which is primarily dependent on community need at that time.

- (b) If the existing portfolio or growth plan includes schools in other states, explain specifically how Tennessee fits into the overall growth plan.

CEG does not intend to grow outside of TN.

- (c) Provide evidence of organizational capacity to open and operate high quality schools in Tennessee and elsewhere in accordance with the overall growth plan. Outline specific timelines for building or deploying organizational capacity to support the proposed schools.

CEG has successfully grown from an organization serving one school with four grades to an organization serving 10 grades across three schools and two campuses. During that time CEG has added the proper organizational capacity at the network level, including positions in data management, technology, English as a Second Language, Special Education, Academic Achievement and Business management. The current support structures can easily handle a slow-growth phase-in model as proposed for CPS.

CEG's TN Ready data reveals CEG's organizational capacity to open and operate high quality schools in Tennessee:

- All three CEG schools have moved off the Priority School list based on the most recent Published State Priority List or by meeting the Priority School Exit criteria.
- Lester Prep has earned the highest TVAAS score the state awards for three consecutive years, earning the TVAAS 5 designation
- Cornerstone Prep Denver Campus outperformed every other school in the ASD in 2019, earning the highest proficiency rates every recorded by an ASD school in math on the 2019 assessment
- Cornerstone Prep Lester Campus, our Binghampton elementary school, outperformed every other school in the ASD in 2018, earning the highest proficiency rates in both math and science, on the 2018 TN Ready assessment
- Cornerstone Prep Denver Campus has earned the highest TVAAS score the state awards for two consecutive years, earning the TVAAS 5 designation

CEG believes this past success in adding capacity will continue as the organization moves from three schools to five schools.

- (d) If applicable, list any schools that were previously approved by this or another authorizer but which failed to open or did not open on time, and explain the reasons for the failure or delay.
There are no such schools
- (e) Discuss the results of past replication efforts and lessons learned – including particular challenges or troubles encountered and how you have addressed them.

CEG opened Cornerstone Prep Denver Campus as a replicated pre-k-5 school in Frayser. CEG learned several valuable lessons in opening the school. Three of those lessons learned are discussed below.

CEG believes replication breeds successful when implemented with fidelity in a model defined as “tight.” CEG defines “tight” as the consistent application of best practices as defined and executed in the original, flagship school. The first CEG replicated school intended to utilize this tight approach but did not execute the model at the desired level of fidelity. CEG expected the founding Principal, a former CEG teacher and Director of Curriculum and Instruction (DOI), to know all the critical success factors from the founding school. Unfortunately, several seemingly small, but actually quite critical, systems and processes did not become part of the culture at CPD, which led to lower than desired academic outcomes for students in Year 1.

CEG addressed this challenge by creating the CEG blueprint. The blueprint captures the critical success factors, including everything from system design and implementation to professional development to desk arrangement to hiring practices. Network leaders used this document to address the issues at CPD, leading to outstanding academic results at that school this year.

The second lesson learned during the CPD replication relates to having high expectations for students and staff. CEG’s flagship school provided very high expectations for staff and students, leading to strong academic achievement in Year 1 and subsequent years. At CPD, school leaders inadvertently lowered expectations for both staff and students which contributed to the lower than desired success in Year 1. For example, staff attendance during Year 1 was below 90%, significantly below any year at the flagship school. Investigation into the data revealed that school leaders allowed, and sometimes encouraged, teachers to be absent even though they were not health reason for such. Because substitute teachers cannot instruct student as the same level as CEG teachers, student achievement suffered.

CEG rectified these low expectations at the start of the 2017-2018 school year. School leaders communicated clearly from Day 1 the expected attendance goals for staff and students and implemented staff and student incentives and celebrations based on attendance. Student and staff attendance increased compared to the prior year, as did student achievement. CEG learned the importance of clear, consistent, high expectations for all staff and students which leads to strong academic achievement for students.

The third lesson learned during the first CEG replicated school pertains to the critical nature of alignment. Unfortunately, a couple of CPD leaders implemented curriculum and assessments misaligned to those of the rest of the organization. This misalignment caused significant declines in student achievement as well as consistent frustration with members of the flagship school and the network. The misalignment led to a great deal of wasted time and energy.

CEG rectified this misalignment through clear communication with all leaders, the implementation of the blueprint and two changes in leadership. CEG learned the value of aligning expectations during the hiring process and again during summer professional development to ensure that everyone agrees with the methods and systems found in the blueprint. Now this school is the highest performing school in the Achievement School District.

- (f) Discuss the greatest anticipated risks and challenges to achieving the organization’s desired outcomes in Tennessee over the next five years and how the organization will meet these challenges and mitigate risks.

Growth frequently leads to increased risks and challenges, and CEG believes that facility expense and network capacity represent the two greatest risks over the next five years.

Organizations may be tempted to approach facility purchase, renovation or building with the mind set of “if we build it, they will come.” CEG believes that can be a risky strategy and therefore prefers a much more conservative and flexible approach to facilities. CEG desires to find a temporary space or a space that can

be easily and inexpensively renovated while the new school establishes a reputation for being a great school. That approach requires less capital investment and allows the school to identify parent and student needs, primary geographical locations of students and allows the school to adjust campus size based on total enrollment, SPED population, EL population, etc.

Network capacity issues provide the second challenge to successful growth. CEG attended multiple workshops and seminars over the last two years on effective network growth. During those sessions, many experienced operators provided valuable insight into staffing positions ahead of the need. That guidance led to the current staffing configuration that should support the addition of the fourth school, eliminating the risk of network capacity negatively affecting the launch of the fourth school. The risk then comes with the addition of the fifth school. Experienced operators provided network staffing models that identify positions needed before adding a fifth school. CEG plan to add those positions before the launch of the fifth school to ensure that network staffing does not impede the successful addition of the fifth school.

- (g) If you have already identified a charter school facility, indicate the location (including street address and school zone). Describe the facility, including whether it is new construction or part of an existing public or private school building. If a facility has not been identified, indicate any existing possibilities and the process that will be used to find a suitable facility. Include a timeline for facility selection and requisition.

CEG has not identified a facility.

- (h) Provide, as **Attachment L**, the organization's most recent annual report.

2.12 Network Management (for existing operators)

In this section:

- (a) Identify the organization’s leadership team and their specific roles and responsibilities.

Full name	Job title	Responsibilities
Andrew Anthony Sippel	Executive Director	All CEG school performance
Muna Claris Olaniyi	Director of Academic Achievement and RTI	CEG academics, CEG RTI, CEG planning
Courtney Humphreys Hoyle	Human Resource Specialist	All CEG human resource functions
Angie Marie Cramer	Director of Schools	Supervise Principals, leadership development, recruiting
Meagan Ashley Tate	Chief of Culture	All CEG school culture
Donna Sue Brigham	Director of Special Education	CEG Special Education Services
Alexander John Wrobel	Director of Operations and Data	CEG data, technology

- (b) Provide, as **Attachment M**, the organization charts for Year 1 network as a whole (including both network management and schools within the network), Year 3 network as a whole and Year 5 network as a whole. The network organization charts should clearly delineate the roles and responsibilities of – and lines of authority and reporting among – the governing board, staff, any related bodies (such as advisory bodies or parent/teacher

councils), and any external organizations that will play a role in managing the schools. If the school intends to contract with a charter management organization clearly show the provider's role in the organizational structure of the school.

- (c) Explain any shared or centralized support services the network organization will provide to schools in Tennessee. Describe the structure, specific services to be provided, the cost of those services, how costs will be allocated among schools, and specific service goals. How will the organization measure successful delivery of these services? (In the case of a governing board proposing to contract with a management organization, service goals should be outlined in the term sheet and draft contract).

The centralized support services staff essentially seeks to remove the tasks and responsibilities that burden or distract schools from their primary work of educating students, set the goals and expectations for the schools and hold schools accountable for attaining those goals, provide the high-level academic and cultural program to accomplish the goals and provide support to the schools throughout the year.

CEG has had considerable success in educating urban children in Memphis and seeks to replicate that success by continuing the best practices that make CEG schools successful. Therefore, CEG’s philosophy is to tightly manage the critical elements of the schools to ensure substantial and consistent performance at all schools.

The centralized support services staff provides the following primary functions:

- ASD and SCS liaison and reporting
- Local, State and National reporting and compliance
- Human resources
- Data collection and distribution
- Special Education, RTI, Gifted and EL services
- Academic plan and goal setting, including lesson plans, curriculum maps, lesson plan ancillaries, assessments, etc.
- Professional development
- Administrative functions, either outsourced or provided internally, such as payroll, accounting, cash management, fund raising, etc.

While overly simplified, the big goals of the support services group are as follows:

Remove obstacles and administrative and reporting duties so that schools can focus on students, teachers, parents and the community

Based on the best practices and the successes of the existing school, provide the tools and support necessary to effectively replicate the academic model and school culture

Provide clarity of expectations and accountability for school performance

We believe the support services group serves the schools and therefore will use surveys to measure the performance of the group in accomplishing the big goals. Surveys found at schools like Noble in Chicago provide a model that will be used at CEG to receive feedback from the schools on performance and responsiveness of the support services group.

The support of the group can be categorized into 2 areas:

- a. Response to requests or stated needs from the school
- b. Prescribed direction, support and accountability from the CMO to the schools

The support services group looks for constant feedback, both informally and formally, from schools to ensure that the quality of the services provided remains high. Surveys will be a critical part of assessing the performance of the support services group in responding to the needs of the school. The surveys will be designed primarily to answer 2 questions regarding requests received from the schools:

Was the response timely? We expect that all requests from schools will receive a reply within 48 hours of receipt.

Did the response adequately resolve the issue? We expect schools to answer "yes" 100% of the time.

Feedback regarding the prescribed direction and accountability from the support services group to the schools will be an ongoing process between the Executive Director and the school Principals. Monthly meetings with leadership personnel of all schools will be used to ensure that the direction, support and accountability structures are adequate to ensure that the goals set in conjunction with the school board are being accomplished.

Costs of support services are allocated across the network based on BEP dollars. The costs are allocated for the services as a whole and not based on individual services at a particular school. The executive director allocates costs at year-end. This approach is designed to minimize non-valued added cost tracking or allocations during a school year. The CMO and schools will work together during quarterly meetings to understand excessive resource usage or costs at a particular school.

The Executive Director is responsible for ensuring that the support services are funded through the combination of school BEP and fund raising and therefore will use the allocations to the schools, in conjunction with the grants and fund-raising receipts, to ensure that the expenses of the group and the schools are adequately covered.

In summary, schools will be able to spend most of their energy and effort working with students, parents, teachers and the community while support services covers the others tasks or provides the support necessary to accomplish the mission of the organization.

Using the table below, summarize school- and organization-level decision-making responsibilities as they relate to key functions.

Function	Network/Management Organization Decision-Making	School Decision-Making
Performance Goals	These will be set by the governing board in conjunction with the CMO team and school leaders.	The school may set interim internal goals to insure adequate progress towards the required performance goals.
Curriculum	The CMO team will provide the curriculum to the schools.	Annually schools meet with CMO to review
Professional Development	The CMO will provide teacher standardized professional development during the summer and as requested by the school during the year. The CMO will provide teacher evaluation rubrics, tools and timing requirements. The CMO will provide professional development for school leaders.	The school leader will design and execute the individual professional development based on the needs of the personnel located at the school in addition to that provided by the CMO.
Data Management and Interim Assessments	The CMO will determine the method, content and frequency of major interim assessments as well as regular data management	The school will have the option to request additional data as well as to design additional interim assessment tools in addition to those required by the CMO
Promotion Criteria	Defined by the CMO	Assessed and executed by the school
Culture	Critical components designed by the CMO	Execution, emphasis, and specific strategies determined by the school leaders
Budgeting, Finance, and Accounting	Budget parameters set by the CMO. All finance and accounting either outsourced or handled by the CMO.	Specific allocation within budget parameters determined by the school
Student Recruitment	Supports the schools to recruit students	Works with CMO but ultimately accountable
School Staff Recruitment and Hiring	Initial communication and screening done by the CMO	Final interviews and hiring decisions made by the school, firing decisions made by the school
H/R Services (payroll, benefits, etc.)	Provided by the CMO and/or outsourced through the CMO	None
Development/ Fundraising	Primarily handled by the CMO	Will leverage relationships for fundraising as Needed
Community Relations	Supports the schools	The school is primarily responsible
IT	Handled by the CMO or outsourced	Requests Supports or identifies needs
Facilities Management	Contracts and high-level relationships managed by the CMO and provided primarily through SCS services and personnel	Schools determine need and satisfaction levels of service provided
Vendor Management / Procurement	Contracts and procurement managed by the CMO	Schools determine satisfaction levels
Student Support Services	Contracts negotiated by the CMO	Daily execution and supervision handled by the Schools
Other operational services, if applicable	n/a	n/a

2.13 Network Governance (for existing operators)

- (a) As applicable, describe the governance structure at the network level and how that relates to the individual school.

Will each school/campus have an independent governing board, or will there be a single network-level board governing multiple schools? If there will be a network-level board, discuss the plan for satisfying the statutory requirement of either: having a parent from one of the network's Tennessee schools serve on the governing body, or having advisory councils at each school.

The Governing Board governs all CEG schools and therefore there are no independent school specific boards. Each meeting contains agenda items addressing all 3 schools and specific school issues when necessary.

One parent from one school sits on the governing board and each school also has parent advisory councils. This will continue with the addition of CPS and the fifth school.

- (b) Describe the size and composition (current and desired) for the board. Explain how the proposed governance structure and composition will help ensure that there will be active and effective representation of key stakeholders. Discuss the powers and duties of the governing board(s). Identify key skills, areas of expertise, and constituencies that will be represented on the governing board(s).

The Governing Board is organized through the Officer positions of Board Chair, Vice Chair, Secretary, Treasurer and Directors. The bylaws allow for a minimum of five members and a maximum of nine members.

The Board Chair presides at all meetings, guides the board in the enforcement of all policies and regulations relating to CEG and performs all other duties normally incumbent upon such an officer.

The Board Vice-Chair fulfills the responsibilities of Board Chair in his or her absence. The Board Vice-Chair leads or co-leads committees according to interest and expertise, and as needed, serves on a committee or advisory boards.

The Board Secretary provides written agendas of the sessions of the full board and the meetings of the standing committees in advance. The Board Secretary distributes to board members appropriate background information on subjects to be discussed in advance of board meeting, prepares and provides written minutes to board members, files approved minutes, and maintains the official list of board members in accordance with procedure.

The Board Treasurer manages the board's review of and action related to the board's financial responsibilities. The Board Treasurer, along with the Finance and Audit Committee (see below), works with the Executive Director to ensure that appropriate financial reports are available to the board on a timely basis and are accurate and within budgeted levels. The board Treasurer and Finance and Audit Committee lead the annual audit process.

Currently, board members serve on one of two committees designed to ensure the school is an educational and operational success. The Audit and Finance committee provides extra time and focus on the financial viability of the organization, monitoring the organization from the budgeting process through the monthly accounting and financial reviews through the year-end audit conducted by a third-party certified public accounting firm.

The personnel committee serves to hold the Executive Director accountable for the educational and operational success of the organization. The committee reviews the Executive Director's performance.

- (d) Explain how this governance structure and composition will help ensure that a) the school will be an educational and operational success; and b) the board will evaluate the success of the school and leader.

The Governing structure is based on successful multi-school networks across the country. The structure has been in place for the previous six years, during which time the board ensured that each school, and

collectively the organization, accomplished the mission and was an educational and operational success. These policies and processes will continue with the addition of CPS.

The Governing Board will use the Performance Management Plan, parent and staff surveys, annual school goals, parent feedback and other measurement tools to evaluate the success of the school and subsequently, the school leaders. Examples of some of these past measures include:

Academic growth and grade-level mastery as indicated by results including the Tennessee Comprehensive Assessment Program (TCAP), TN Ready, Measure of Academic Progress (MAP), Tennessee Value-Added Assessment System (TVAAS), and multiple in-house assessments.

Organizational strength by demonstrating fiduciary and fiscal responsibility, measured by annual budgets for each school year that demonstrate effective allocation of financial resources to ensure effective delivery of the school mission as measured by yearly balanced budget submitted to the Board and external, annual audit reports that demonstrate that CEG meets or exceeds professional accounting standards.

Enrollment indicating that CEG schools will be fully enrolled and demonstrate high levels of daily attendance and student retention, measured by attaining CEG student enrollment described in the enrollment plan at the beginning of each year and high levels of daily attendance and students who begin the school year at CEG remaining in the school throughout the academic year and re-enrolling for the following school year.

Parents demonstrate high satisfaction with the academic program and the clear and open communication of CEG that could be measured through annual average parent satisfaction with the academic program, as measured by an annual survey at the end of the school year.

(e) Explain how the interests of individual schools will be balanced with network interests and how key stakeholders will be represented.

The governing board reviews individual school and network data at each meeting, effectively balancing the interests of each school with the interest of the network. Critical success factors, staff and parent surveys, and other data provide school specific results that allow the board to see how individual schools perform in their own community as well as compared to the other schools in the network. Board members proactively seek out feedback from the various stakeholders as well as reviewing surveys from those groups to ensure that key stakeholders are represented.

(f) Will the charter be held by the same existing non-profit board or will a new board be formed?

- If the existing board will also govern the new school:
 - Include a copy of the by-laws and organizational chart, with emphasis on what changes, if any, will need to take place at the board level for it to be effective (i.e., add members, redistribute roles, responsibilities, etc.).
 - Discuss any plans to transform the board's membership, mission, and by-laws to support the charter school expansion/replication plan. Describe the plan and timeline for completing the transition and orienting the board to its new duties.
- If a new board will be formed:
 - Describe how and when the board will be created and what the relationship between the two boards will be (including any overlapping responsibilities). Please include biographies of the new board members, roles and responsibilities needed to govern the new school, organizational chart, and governing board structure. If available, include the by-laws of the new governing board. Please indicate if the charter will ultimately be held by the existing non-profit or a different non-profit board. If the latter, explain the transition.

The charter for CPS will be held by the current CEG governing board. In addition, there are no plans to expand the board, as advisory committees could be used to provide necessary feedback and input during the first 24 months of the transition to the new school. Should the board decide to expand, the process listed in the bylaws will be followed. New board members would receive orientation on CEG from the Executive Director and training on committee membership from the chair of the board.

2.14 Charter School Management Contracts (for existing operators, if applicable)

CEG will not be using a Charter School Management Contract.

2.15 Personnel/Human Capital - Network-wide Staffing Projections (for existing operators)

Complete the following table indicating projected staffing needs for the entire network over the next five years. Include full-time staff and contract support that serve the network 50% or more. Change or add functions and titles as needed to reflect organizational plans. If the proposed school plans to use a staffing model that diverges from the school staffing model in the original application, please explain.

Year	Year 1	Year 2	Year 3	Year 4	Year 5
Number of elementary schools	3	3	3	3	3
Number of middle schools	1	1	1	1	1
Number of high schools	0	0	0	0	0
Total schools	4	4	4	4	4
Student enrollment	1,550	1,625	1,700	1,775	1,850

Management Organization Positions	Year 1	Year 2	Year 3	Year 4	Year 5
Exec Dir/CEO	1	1	1	1	1
Dir of Schools	1	1	1	1	1
Dir of Academic Achievement	1	1	1	1	1
Director of Special Education	1	1	1	1	1
Director of Operations and Technology	1	1	1	1	1
Human Resource Specialist	1	1	1	1	1
Chief Culture Officer	1	1	1	1	1
RTI Specialist and Gifted Teacher	1	1	1	1	1
Mgr of Business Systems	1	1	1	1	1
Asst Dir of SPED	1	1	1	1	1
Dir of Parent and Community Relations	1	1	1	1	1
Teacher Development Specialist	1	1	1	1	1
Dir of Development					1
Total back-office FTEs	12	12	12	12	13

Elementary School Staff	Year 1	Year 2	Year 3	Year 4	Year 5
Principals	3	3	3	3	3
Assistant Principals	3	3	3	3	3
Deans	10	10	12	12	12
Add'l School Leadership Position 2 [specify]					
Add'l School Leadership Position 3 [specify]					
Classroom Teachers (Core Subjects)	69	72	75	78	81
Classroom Teachers (Specials)	8	8	8	9	9
Counselor/behavior team	13	13	14	14	15
Nurse	3	3	3	3	3
Special Ed teachers and aides	15	15	15	17	18

Elementary School Staff	Year 1	Year 2	Year 3	Year 4	Year 5
Office	6	6	6	7	8
RTI	3	3	3	3	4
EL	2.5	2.5	2.5	3	4
School Operations	4	4	4	4	4
Total FTEs at elementary schools	139.5	142.5	148.5	156	163

Middle School Staff	Year 1	Year 2	Year 3	Year 4	Year 5
Principals	1	1	1	1	1
Assistant Principals	1	1	1	1	1
Deans	2	2	2	2	2
Add'l School Leadership Position 2 [specify]					
Add'l School Leadership Position 3 [specify]					
Classroom Teachers (Core Subjects)	12	12	12	12	12
Classroom Teachers (Specials)	3	3	3	3	3
Counselor	1	1	1	1	1
RTI	1	1	1	1	1
Office	1	1	1	1	1
Behavior Team	2	2	2	2	2
SPED	5	5	5	5	5
School Operations Support Staff					
Total FTEs at middle schools	29	29	29	29	29

High School Staff	Year 1	Year 2	Year 3	Year 4	Year 5
Assistant Principals					
Deans					
Add'l School Leadership Position 1 [specify]					
Add'l School Leadership Position 2 [specify]					
Add'l School Leadership Position 3 [specify]					
Classroom Teachers (Core Subjects)					
Classroom Teachers (Specials)					
Student Support Position 1 [e.g., Social Worker]					
Student Support Position 2 [specify]					
Specialized School Staff 1 [specify]					
Specialized School Staff 2 [specify]					
Teacher Aides and Assistants					
School Operations Support Staff					
Total FTEs at high schools					
Total Network FTEs	180.5	183.5	189.5	197	205

2.16 Personnel/Human Capital – Staffing Plans, Hiring, Management, and Evaluation (for existing operators)

In this section complete the following, if not previously addressed (in 2.4):

- (a) Describe the organizational structure of the proposed school.
- (b) Provide the school organizational chart as **Attachment G**.
- (c) Delineate the relationship of the school organization to the network organization as a whole.
- (d) Describe the operator’s current or planned process for sourcing and training potential school leaders. Explain how you have developed or plan to establish a pipeline of potential leaders for the network as a whole. If known, identify candidates already in the pipeline for future positions.
- (e) Describe your organization’s strategy and plans for recruiting and hiring teaching staff, including the plan for hiring highly qualified staff. Explain other key selection criteria and any special considerations relevant to your school design.
- (f) Explain how the organization intends to handle unsatisfactory leadership or teacher performance, as well as leadership/teacher changes and turnover.

All of these are addressed in 2.4

SECTION 3 FINANCIAL PLAN AND CAPACITY

3.1 Planning and Budget Worksheet (Attachment O)

Public charter schools are required to operate under an annual budget on a July 1 – June 30 fiscal year. For purposes of this application, the proposed charter school must submit the Public Charter School Planning and Budget Worksheet which is provided on the department's website. Provide, as **Attachment O**, a detailed budget for the proposed school. The budget must include:

- (a) All anticipated revenues and expenditures
- (b) A back-office budget
- (c) Financial implications of facilities plans
- (d) Explicitly detail major assumptions including but not limited to:
 - Student enrollment;
 - All anticipated funding sources¹, including:
 - Local, state, and federal per-pupil funding; eligibility levels; and annual increases;
 - Other government resources;
 - Private fundraising;
 - eRate;
 - Student fees;
 - Compensation, including:
 - Salary table and number of staff by position;
 - Yearly pay increases; and
 - Pension contribution and other benefits
 - Line items for each major expense and delineation of assumptions, including:
 - Instructional materials and supplies;
 - School equipment and furniture;
 - Technology for student and instructional use;
 - Professional development;
 - Student assessments;
 - Student information system;
 - Special education services;
 - Student activities;
 - Contracted services at school (audit, I/T, PD, etc.);
 - Rent and utilities;
 - Office supplies and equipment;
 - Technology for administrative use;
 - Fundraising materials and resources (non-staff);

¹ Both the budget forms and narrative should specify the amount and sources of funds, property, or other resources expected to be available through banks, lending institutions, corporations, foundations, grants, etc. Note which are secured and which are anticipated, and include evidence of firm commitments, where applicable.

- School start-up costs;
- Management fees and any other management compensation to the CMS or network (if applicable);
- Facility scenarios; and
- Capital, contingency, and insurance reserve funds.

3.2 Budget Narrative (Attachment P)

As **Attachment P**, present a budget narrative including detailed descriptions of budget assumptions, revenue, and expenditure projections reflecting proposed growth over time. In this section include:

- (a) A plan for compliance with state and federal accounting and reporting requirements;

CEG currently complies with all state and federal accounting and reporting requirements. CEG uses a certified accounting firm to prepare the monthly financial statements and then hires a separate certified public accounting firm to conduct the annual audit. CEG will continue this process with the addition of CPS.

- (b) How the proposed budget is adequate to ensure your proposed school model can be implemented fully and how it supports your theory of action concerning student achievement;

The CPS proposed budget is based on the 7-year history of CEG running the current school model. This combination of financial planning and execution has delivered significant student achievement and fiscal success each year and therefore CEG expects that to continue with the addition of CPS.

- (c) An explanation of student enrollment and BEP projections;

Student enrollment assumes Year 1 will open with grades K and 1 with 75 students in each grade. In year 2, it is assumed that each grade will contain 75 scholars. BEP is based on the rate found on the TDoE Website <https://www.tn.gov/content/tn/education/school-options/charter-schools/tdoe3so-charter-school-operators-authorizers.html>

for 2017-2018 increased by 3% annually. Therefore, the BEP rate for Year 1 is \$8718 for the non-transportation portion. Enrollment stays flat at existing CEG schools each year while BEP increases by 3% annually.

- (d) An explanation of all anticipated funding sources, including grants, state, federal, and local per-pupil eligibility, other government resources, private fundraising, eRate, student fees, donations, etc.;

See attachment P.

- (c) An explanation of all anticipated expenditures including salaries and benefits, yearly pay increases, instructional materials and supplies, equipment and furniture, technology for both student and instructional use, professional development, special education services, student activities and field trips, contracted services (ex. CMO, audit, payroll, IT, etc.), rent and utilities, office supplies and equipment, management fees, capital, contingency and insurance reserve funds;

See attachment P

- (d) The systems, processes, and policies by which the organization and school will manage accounting, purchasing, payroll, and audits. Include any draft policies on financial controls, etc.;

CPS will utilize all the existing CEG systems, processes and policies to manage accounting, purchasing, payroll and audits. CEG outsources payroll to Paychex, uses an accounting firm for accounts payable and monthly financial statements and then hires a separate certified public accounting firm to conduct the annual audit. CEG will continue this process with the addition of CPS. Existing policies for these processes are found in an attachment.

- (e) How the school will provide an independent annual audit of organizational and school level financial and administrative operations;

CEG utilizes Henderson Hutcherson & McCullough (HHM) CPA firm, a certified public accounting firm to conduct the annual audit.

- (f) Your team's individual and collective qualifications and capacity for implementing the financial plan successfully;

CEG's Executive Director and Governing Board contain years of experience and expertise around financial management. The Executive Director was formerly the Controller of a billion-dollar organization and the board contains a wealth of talent and experience around banking, budgeting and financial management. CEG's 6-year track record of positive cash flow and clean audits testify to the strength of the organization in this area.

- (g) The roles and responsibilities of the school's administration and governing board for school finances and distinguish between each;

The Human Resources Specialist leads the payroll process, working with Paychex for bi-monthly payroll. The Director of Operations and Data works with the accounting firm to process weekly accounts payable. The Executive Director reviews both payroll and accounts payable before processing. Then, each month, the Executive Director reviews the financial statements prepared by the accounting firm and presents those to the Governing Board for review and approval at each board meeting. Finally, the auditors work with the finance committee of the board to review and prepare the final audit, which is approved by the full board once completed.

- (h) The school's contingency plans to meet financial needs if anticipated revenues are not received or are lower than expected;

Capstone Education Group has more than \$5 million in operating reserves along with \$1.0 million in cash that could be used to offset any unforeseen expense items or revenue shortfall during the pre-opening or first two years of operation

- (i) The Year 1 cash flow contingency, in the event that revenue projections are not met in advance of opening;

As stated above, Capstone Education Group has more than \$5 million in operating reserves along with \$1.0 million in cash that could be used to offset any unforeseen expense items or revenue shortfall during the pre-opening.

- (j) How one or more high needs student with disabilities might affect the budget and your plan to meet student needs that might be more than anticipated; and

CEG schools serve all students, including those with special needs or EL requirements. CEG has met the needs of at least one high needs student each year of its existence. CEG has requested additional Sped funding from the ASD in each of those cases but did not receive a additional funds. Therefore, CEG used operating funds to cover the cost of these high needs students. CEG expects to use the same approach for CPS should the need arise.

- (k) If there is a plan to outsource any or all financial management areas such as payroll, benefits, audits, fundraising, accounting, etc., include a statement on how you will choose the vendors and how you will oversee their activities to ensure fidelity and compliance.

CEG will continue to use its current vendors, which includes Paychex, Henderson Hutcherson & McCullough (HHM) CPA firm and Cannon Wright Blount, PLLC a public accounting firm

3.3 Financial Plan (for existing operators required to complete Sections 3.1 and 3.2)

In this section:

- (a) Describe the fiscal health of other schools in your network. Are any of the schools on fiscal probation or in bankruptcy?

CEG operates 3 schools with positive cash flow. CEG has covered annual expenses every year since its inception and therefore has no schools on fiscal probation or in bankruptcy.

- (b) Explain how the organization will reach its fundraising goals over the next five years. Provide a development plan that includes staffing needs.

CEG budgets very conservative fundraising amounts. CEG enjoys many relationships throughout Memphis and the education community and has exceeded fundraising goals every year since inception. The fundraising goals for the next five years are based on the historical funds raised by CEG and therefore seem very realistic. The Executive Director leads this process currently. Year 5 includes a budgeted position for a Director of Development but no significant budget increases are included for increased fundraising that year.

- (c) Provide, as **Attachment Q**, a detailed budget for the network. You may reference school-level budgets provided in Sections 3.1 and 3.2, as appropriate. Applicants must submit financial forms detailing:
- A back-office budget;
 - Financial implications of facilities plans;
 - All major assumptions including but not limited to:
 - Student enrollment;
 - All anticipated funding sources² (at the network level), including:
 - Local, state, and federal per-pupil funding; eligibility levels; and annual increases;
 - Other government resources;
 - Private fundraising;
 - eRate;
 - Student fees;
 - Total employee compensation (network/CMO level), including the percentage of the total compensation allocated for the proposed school;
 - Management fees and any other management compensation to the CMO or network (if applicable); and
 - Capital, contingency, and insurance reserve funds.

3.4 Financial Plan (for existing operators NOT required to complete Sections 3.1 and 3.2)

In this section:

- (a) Describe the systems and processes by which the organization will manage accounting, purchasing, payroll, and audits. Specify any administrative services expected to be contracted; and describe the criteria and procedures for the selection of contractors.
- (b) If applicable, describe the fiscal health of other schools in your network. Are any of the schools on fiscal probation or in bankruptcy?
- (c) Present, as **Attachment P**, a detailed budget narrative describing assumptions and revenue estimates.
- (d) Include any committed contributions or in-kind donations of goods or services to be received by the charter school that will assist in evaluating the financial viability of the school. You should clearly indicate between those grants or in-kind donations which have already been firmly committed and those you are planning to pursue. For grants or donations that you are planning to pursue provide the source, estimated amount of contribution, and expected date of receipt if known.
- (e) Provide 24-month cash flow projections.
- (f) Detail the contingency plan to meet financial needs if anticipated revenues are not received or are lower than estimated.
- (g) Describe Year 1 cash flow contingency, in the event that revenue projections are not met in advance of opening.
- (h) Explain how the organization will reach its fundraising goals over the next five years. Provide a development plan that includes staffing needs.

² Both the budget forms and narrative should specify the amount and sources of funds, property or other resources expected to be available through banks, lending institutions, corporations, foundations, grants, etc. Please note which are secured and which are anticipated and include evidence of firm commitments where applicable.

- (i) Provide, as **Attachment O**, a detailed budget for the proposed school, and as **Attachment Q**, the network budget as a whole. You may reference school-level budgets provided in the original application, as appropriate. Applicants must submit financial forms detailing:
- A back-office budget
 - Financial implications of facilities plans
 - All major assumptions including but not limited to:
 - Student enrollment;
 - All anticipated funding sources³, including:
 - Local, state, and federal per-pupil funding; eligibility levels; and annual increases;
 - Other government resources;
 - Private fundraising;
 - eRate; and
 - Student fees;
 - Total employee compensation (network/CMO level), including the percentage of the total compensation allocated for the proposed school;
 - Line items for each major expense and delineation of assumptions (at the school level only), including:
 - Instructional materials and supplies;
 - School equipment and furniture;
 - Technology for student and instructional use; ○
 - Professional development;
 - Student assessments;
 - Student information system; ○
 - Special education services; ○
 - Student activities;
 - Contracted services at school (audit, I/T, PD, etc.);
 - Rent and utilities;
 - Office supplies and equipment;
 - Technology for administrative use; and
 - Fundraising materials and resources (non-staff);
 - School start-up costs;
 - Management fees and any other management compensation to the CMS or network (if applicable);
 - Facility scenarios; and
 - Capital, contingency, and insurance reserve funds.

³ Both the budget forms and narrative should specify the amount and sources of funds, property, or other resources expected to be available through banks, lending institutions, corporations, foundations, grants, etc. Note which are secured and which are anticipated, and include evidence of firm commitments, where applicable.

SECTION 4: PORTFOLIO REVIEW/PERFORMANCE RECORD (FOR EXISTING OPERATORS)

4.1 Past Performance

For applicants with only one school in their network, please mark not applicable where necessary.

In this section:

- (a) Describe your existing educational program and whether or not it is a success. See (c)
- (b) Provide detailed student achievement and growth results for each school in the network as **Attachment R**.
- (c) Have the schools in the network demonstrated success in raising student achievement levels by meeting/exceeding state and national standards for most students?

Capstone Education Group created a successful educational program designed primarily to serve low-income students who find themselves performing below grade level. The instructional model relies on teachers delivering effective instruction every day to students with varying academic needs. Therefore, the schedule and blueprint require delivery of grade level content as well as effective scaffolding to reach the instructional level of students. Teachers spend time preparing and internalizing plans to address the varying needs of students through scaffolded questions, visual representations and the inclusion of academic discourse throughout all subjects and grade levels. These methods provide opportunities for all students, including students who are not on grade level, a chance to engage in challenging work.

CEG schools also has time in the instructional schedule to address students' individual academic needs. Teachers group students by ability to provide intervention or enrichment to students. In classrooms where intervention occurs, co-teachers implement instruction that targets early literacy or math skills and comprehension skills. In classrooms that have students who are on or above grade level, students engage in Socratic seminars, conducting research projects and the teacher serving as the instructional facilitator of the classroom. This time helps to not only close the achievement gap but also expose students to high-level work.

In addition to high academic expectations, CEG has equally high behavioral expectations. All CEG schools have a set of core values and behavior expectations that are taught and is immersed in the daily experiences of students. Students earn merits or demerits, weekly and quarterly incentives, and consequences based on these core values. For students that require additional behavioral support, all CEG schools have a behavior team that provide counseling, mentoring and other personalized behavior supports.

Currently, CEG operates three schools under the Achievement School District (ASD). As part of the yearly performance review, the ASD provides operators with results from the School Performance Framework. The School Performance Framework measures schools performance on a variety of areas, including financial management, academic achievement, school success rates, TVAAS, culture and compliance. The CEG Governing Board provides additional measures of success around student achievement, staff retention, fundraising and staff satisfaction.

CEG has consistently performed among the highest operators in the ASD, met or exceeded most academic, cultural and compliance objectives and has been a model of financial management.

To measure academic growth, as identified throughout the application, CEG monitors student achievement in a variety of ways. Highlighted below are historical student achievement results on the NWEA MAP assessment.

Obviously, if students were to begin school at grade level and then achieve one grade level of growth each year, the students would continue to be at grade level and more than likely be on track for college success. Most students enter CEG schools below grade level, indicating they have not consistently received one years' worth of growth during each of their years of education at another school.

In order to close the academic gap, CEG needs to not only exceed the historical growth level of students (ie less than one year) but deliver more than one year of growth each school year.

The data below indicates each schools' performance on MAP over time in Math, Science, Reading and ELA. Highlights include the following:

- Consistent growth exceeding one year of growth at every school every year in math with Lester Prep students growing 1.5 to 1.8 years over a 4-year span and the entire network averaging 1.6 years of growth last year.
- Consistent growth exceeding one year of growth at every school every year except one in reading with Lester Prep students growing 2.0 years in two consecutive years and Cornerstone Prep Denver growing 1.4 years last year.
- Strong language growth, including an average 1.8 years at Cornerstone Prep Lester Campus over two consecutive years and 2.2 years of growth over three years at Lester Prep.
- Outstanding science results across the network averaging 1.5 years' growth across the network for all 7 years.

The MAP data shows consistent growth for all schools on a nationally normed test and provides ample evidence that the entire network is raising student achievement for all students.

Likewise, the TCAP/TN Ready results prove that the educational program is a success and that the network has demonstrated the ability to increase student achievement levels by meeting or exceeding state standards:

- All three CEG schools have moved off the Priority School list based on the most recent Published State Priority List or by meeting the Priority School Exit criteria.
- Lester Prep has earned the highest TVAAS score the state awards for three consecutive years, earning the TVAAS 5 designation
- Cornerstone Prep Denver Campus outperformed every other school in the ASD in 2019, earning the highest proficiency rates every recorded by an ASD school in math on the 2019 assessment
- Cornerstone Prep Lester Campus, our Binghampton elementary school, outperformed every other school in the ASD in 2018, earning the highest proficiency rates in both math and science, on the 2018 TN Ready assessment
- Cornerstone Prep Denver Campus has earned the highest TVAAS score the state awards for two consecutive years, earning the TVAAS 5 designation

In summary, the data clearly indicates CEG schools have enjoyed significant success in raising student achievement on national and state assessments.

(d) If applicable, provide the graduation rates for each school in the network.

n/a

(e) Using the Portfolio Summary Template, provide a detailed summary of all of the schools in the operator's portfolio as **Attachment S**.

(f) Select one or more of the consistently high-performing schools that the organization operates, and discuss the school's performance.

- Be specific about the results on which you base your judgment that the school is high-performing.

Lester Prep consistently outperforms most schools serving a similar demographic and has proven to be a high performing middle school.

Key highlights include:

- Lester Prep has earned the highest TVAAS score the state awards for three consecutive years, earning the TVAAS 5 designation
- An amazing average of 2 years growth for 2 consecutive years in Reading as measured by the NWEA MAP assessment and a lifetime average of growth of 1.6 years
- The highest rate of on track and mastery scores among Memphis ASD middle schools in math on TN Ready last year
- A lifetime average growth of 1.5 years growth in Math as measured by NWEA MAP

- At least a 2 years' growth in language for three years and a lifetime average growth of 1.9 years as measured by NWEA MAP.
- Science growth ranging from 1.2 years to 2.0 years over the life of Lester Prep in language science as measured by NWEA MAP.

In summary, the data indicates Lester Prep has been a high-performing school consistently since its inception 5 years ago and has proven to deliver significant success in raising student achievement on national and state assessments.

- Discuss the primary causes to which you attribute the school's distinctive performance.

Lester Prep has executed the CEG mission and utilized the blueprint well, leading to the school's distinctive performance year over year. The blueprint has been described in various places throughout this application, but some of the highlights that have directly led to Lester Prep achievement are listed below.

Strong Leadership Teams. Lester Prep hires and retains strong leaders over time.

Commitment to the Blueprint. All Lester Prep leaders communicate to the staff the importance of the blueprint and have committed to fully implement the blueprint in culture and instruction.

Strength of the Instructional Blueprint. CEG's instructional blueprint has explicit expectations for each subject area and Lester Prep teachers implemented these with fidelity.

Consistency of the Culture Blueprint. CEG's culture blueprint has explicit expectations on school culture and discipline and are lived throughout the school.

Data Driven Instruction. CEG is a data driven organization and Lester Prep's data cycle has been a consistent process since inception. All instruction and culture-based decisions include student data as the driving factor. Weekly, monthly and quarterly data meetings follow the prescribed data meeting protocols to ensure that teachers walk away with actionable items to improve instruction the very next day.

Coaching Cycle. CEG implements a unique coaching cycle. CEG leaders are required to spend 70% of their time in classrooms either conducting model lessons, live coaching or performing observations. The remaining time is spent either co-planning with teachers, analyzing student work, or leading data meetings. Lester Prep Deans have implemented this with fidelity.

Professional Development. The idea of Teach Me Too originated in Lester Prep and their commitment to consistently practicing lessons with peers and deans has led to amazing growth in teachers.

Learning Lab. Lester Prep also founded the idea of Learning Lab, providing interventions to all students during this block of time for each grade level.

- Discuss any notable challenges that the school has overcome in achieving its results.

Lester Prep endured a leadership change in the middle of the 2016-2017 school year. This change created a significant amount of fear and concern for the staff. However, Lester Prep's leadership team rallied together to mitigate the fractured relationships and were able to earn a TVAAS 5 in all subject areas last school year. This reaffirmed the quality of CEG school and network leadership as well as the strength of the blueprint.

- Identify any ways in which the school's success has informed or affected how other schools in the network operate. Explain how the effective practice or structure or strategy was identified and how it was implemented elsewhere in the network.

Lester Prep's success in designing and executing the academic and cultural blueprint affected the approach at both elementary schools. The elementary schools modified their systems, professional developments, data process and execution to align with the strengths of Lester Prep. CEG recognized the consistent student achievement at Lester Prep and working with the Lester Prep leadership team, identified the critical success factors for that achievement. Those best practices were then implemented across the network.

- (g) Select one or more of the organization's schools whose performance is relatively low or not satisfactory and discuss the school's performance. Be specific about the results on which you base your judgment that performance is unsatisfactory.

Cornerstone Prep Lester Campus (CPL) was the highest performing school in the ASD in 2017-2018. However, CPL's performance slipped back in grades 3-5 during the 2018-19 school year as measured by internal and external assessments. CEG's analysis of MAP, SWYK and interim data, compared to prior years and the other elementary school in the network, led to that conclusion. Because all schools use a similar approach to the work, comparisons of school data can easily identify strengths and weaknesses of individual schools. CPL data across all academic assessments in grades 3-5 indicated a need for better execution of the blueprint.

- o Describe the primary causes to which you attribute the school's problems.

CPL's k-2 performance remained strong during the 2018-19 school year so the problems were clearly around grades 3-5. There were two primary causes of this problem:

- The third-grade math teacher was inconsistent in attendance and performance during the first half of the year and had to be replaced in January. A replacement teacher, along with school leaders, began teaching the subject in late January, and made considerable progress, but was not able to generate the same record-setting results as were true the prior year
- The 5th grade culture fell below CEG standards and the academic achievement reflected that. The school leaders worked with the 5th grade staff and students during the year but never created the culture of high expectations necessary for scholars to significantly close their academic gaps.

- o Explain the specific strategies that you are employing to improve performance.
The strategies that were employed to improve performance include the following:

Leadership change. CEG hired a new dean of instruction to help correct academic and cultural gaps that existed the prior year.

Teacher change. CEG hired a new 3rd grade math teacher and moved one of the 5th grade teachers to a new subject.

Instructional resources. The Director of Academic Achievement and school level Deans of Instruction increased their observation of lesson plan preparation and the classroom delivery to ensure the use of aligned resources and weekly assessments.

School culture. The Director of Schools and Assistant Principal worked together to review the culture blueprint with all staff members and then conducted regular observations and data reviews to ensure the blueprint was being followed by every staff member.

- o How will you know when performance is satisfactory? What are your expectations for satisfactory performance in terms of performance levels and timing?

Through the first half of the year, academic results on SWYK, interim assessments and MAP all indicate significant improvement in student achievement compared to last year. That provides satisfactory progress through the first half of the year and meets our expectation for performance and timing of improvement. Highlights include:

- Mid-year MAP growth of .7 years in math
- Mid-year MAP growth of .9 years in reading
- SWYK scores 30 percentage points higher this year compared to last year
- Mid-year MAP growth of .8 years in language
- Interim results improved across the school with a dramatic 30 percentage point increase in 5th grade

The data indicates that CPL is performing above expectations and we expect the final year end results to show improvement in the academic achievement of the students at CPL and return the school to its former high-performing designation.

- (h) For all schools operating under another authorizer: provide, as **Attachment T**, the most recent performance/evaluation/renewal reports produced by the authorizer(s) (or by a third-party evaluator, if applicable).
- (i) For all schools operating in the state of Tennessee: provide the following in **Attachment U**: (a) the last two years of audited financial statements for each school or school(s); and (b) the most recent internal financial statements, including balance sheets and income statements.
- (j) List any contracts with charter schools that have been terminated by either the organization or the school, including the reason(s) for such termination and whether the termination was for "material breach."

CEG has not had any contracts with charter schools that have been terminated

- (k) List any and all charter revocations, non-renewals, shortened or conditional renewals, or withdrawals/non-openings of schools operated by the organization, and explain what caused these actions.

CEG does not have any charter revocations, non-renewals, shortened or conditional renewals or withdrawals/non openings of schools.

- (l) Explain any performance deficiencies or compliance violations that have led to formal authorizer intervention with any school operated by the organization in the last three years and how such deficiencies or violations were resolved.
CEG does not have any performance deficiencies or compliance violations.
- (m) Identify any current or past litigation, including arbitration proceedings, by school, that has involved the organization or any charter schools it operates. If applicable, provide in **Attachment V**: (1) the demand, (2) any response to the demand, and (3) the results of the arbitration or litigation.

There have been no performance deficiencies or compliance violations.

There has been one litigation. Back in 2018, a student had her hand stepped on by another student in class. The parent filed a suit to recoup her insurance bills plus other expenses.

The insurance company decided to settle the claim for \$8500.

ATTACHMENTS

Please include attachments labeled according to the following schedule:

- ATTACHMENT A:** Annual School Academic Calendar
- ATTACHMENT B:** Student Handbook / School Forms
- ATTACHMENT C:** Student Discipline Policy
- ATTACHMENT D:** Student Enrollment Policy
- ATTACHMENT E:** Pledged Support from Prospective Partners & Letters of Support/MOUs/Contracts
- ATTACHMENT F:** Board Governance Documents
 - F1.** Articles of Incorporation
 - F2.** Proof of non-profit and tax exempt status
 - F3.** By-laws
 - F4.** Code of Ethics
 - F5.** Conflict of Interest Policy
 - F6.** Board member resumes
 - F7.** Board policies, including policies on open meetings and open records
- ATTACHMENT G:** School Organizational Chart
- ATTACHMENT H:** School Leader Resumes/Student Achievement Data (if available)
- ATTACHMENT I:** Employee Manual/Personnel Policies
- ATTACHMENT J:** Insurance Coverage
- ATTACHMENT K:** CMO Agreement (if applicable)
- ATTACHMENT L:** Organization/Network Annual Reports or Audits (for existing operators)
- ATTACHMENT M:** Network Organizational Chart (for existing operators)
- ATTACHMENT N:** CMO Documentation (if applicable)
- ATTACHMENT O:** Planning and Budget Worksheet
- ATTACHMENT P:** Budget Narrative
- ATTACHMENT Q:** Network Budget (for existing operators)
- ATTACHMENT R:** Student Achievement/Growth Results (for existing operators)
- ATTACHMENT S:** Portfolio Summary Template (for existing operators)
- ATTACHMENT T:** School Reports/LEA Evaluations (for existing operators)
- ATTACHMENT U:** School Financials (for existing operators)
- ATTACHMENT V:** Litigation Documents (for existing operators, if applicable)

CHECKLIST
For New Start Applicants with No Existing Schools

- | | |
|---|---|
| <input type="checkbox"/> General Information and Assurances | <input checked="" type="checkbox"/> 3.1 Budget Worksheet (Information included as Attachment O) |
| <input type="checkbox"/> 1.1 | <input checked="" type="checkbox"/> 3.2 Budget Narrative (Information included as Attachment P) |
| <input type="checkbox"/> 1.2 | <input type="checkbox"/> Attachment A (1.8) |
| <input type="checkbox"/> 1.3 | <input type="checkbox"/> Attachment B (1.10) |
| <input type="checkbox"/> 1.4 | <input type="checkbox"/> Attachment C (1.10) |
| <input type="checkbox"/> 1.5 (If applicable) | <input type="checkbox"/> Attachment D (1.11) |
| <input type="checkbox"/> 1.6 | <input type="checkbox"/> Attachment E (1.11) |
| <input type="checkbox"/> 1.7 | <input type="checkbox"/> Attachment F (2.1) |
| <input type="checkbox"/> 1.8 | <input type="checkbox"/> Attachment G (2.4) |
| <input type="checkbox"/> 1.9 | <input type="checkbox"/> Attachment H (2.4) |
| <input type="checkbox"/> 1.10 | <input type="checkbox"/> Attachment I (2.4) |
| <input type="checkbox"/> 1.11 | <input type="checkbox"/> Attachment J (2.6) |
| <input type="checkbox"/> 1.12 | <input type="checkbox"/> Attachment K (If applicable; 2.9) |
| <input type="checkbox"/> 2.1 | <input type="checkbox"/> Attachment O (3.1) |
| <input type="checkbox"/> 2.2 | <input type="checkbox"/> Attachment P (3.2) |
| <input type="checkbox"/> 2.3 | |
| <input type="checkbox"/> 2.4 | |
| <input type="checkbox"/> 2.5 | |
| <input type="checkbox"/> 2.6 | |
| <input type="checkbox"/> 2.7 | |
| <input type="checkbox"/> 2.8 | |
| <input type="checkbox"/> 2.9 | |
| <input type="checkbox"/> 2.10 | |

CHECKLIST

For Existing Tennessee Operator Proposing New Focus/Grade Structure OR Existing Non-Tennessee Operator OR Existing ASD operator proposing to non-ASD operator

- | | | |
|---|---|---|
| <input type="checkbox"/> General Information and Assurances | <input type="checkbox"/> 2.11 | |
| <input type="checkbox"/> 1.1 | <input type="checkbox"/> 2.12 | |
| <input type="checkbox"/> 1.2 | <input type="checkbox"/> 2.13 | |
| <input type="checkbox"/> 1.3 | <input type="checkbox"/> 2.14 (If applicable) | |
| <input type="checkbox"/> 1.4 | <input type="checkbox"/> 2.15 | |
| <input type="checkbox"/> 1.5 (If applicable) | <input type="checkbox"/> 2.16 | |
| <input type="checkbox"/> 1.6 | <input checked="" type="checkbox"/> 3.1 Budget Worksheet (Information included as Attachment O) | |
| <input type="checkbox"/> 1.7 | <input checked="" type="checkbox"/> 3.2 Budget Narrative (Information included as Attachment P) | |
| <input type="checkbox"/> 1.8 | <input type="checkbox"/> 3.3 Network Budget | |
| <input type="checkbox"/> 1.9 | <input type="checkbox"/> 4.1 | <input type="checkbox"/> Attachment O (3.1) |
| <input type="checkbox"/> 1.10 | <input type="checkbox"/> Attachment A (1.8) | <input type="checkbox"/> Attachment P (3.2) |
| <input type="checkbox"/> 1.11 | <input type="checkbox"/> Attachment B (1.10) | <input type="checkbox"/> Attachment Q (3.3) |
| <input type="checkbox"/> 1.12 | <input type="checkbox"/> Attachment C (1.10) | <input type="checkbox"/> Attachment R (4.1) |
| <input type="checkbox"/> 1.13 | <input type="checkbox"/> Attachment D (1.11) | <input type="checkbox"/> Attachment S (4.1) |
| <input type="checkbox"/> 1.14 | <input type="checkbox"/> Attachment E (1.11) | <input type="checkbox"/> Attachment T (4.1) |
| <input type="checkbox"/> 2.1 | <input type="checkbox"/> Attachment F (2.1) | <input type="checkbox"/> Attachment U (4.1) |
| <input type="checkbox"/> 2.2 | <input type="checkbox"/> Attachment G (2.4) | <input type="checkbox"/> Attachment V (4.1) |
| <input type="checkbox"/> 2.3 | <input type="checkbox"/> Attachment H (2.4) | |
| <input type="checkbox"/> 2.4 | <input type="checkbox"/> Attachment I (2.4) | |
| <input type="checkbox"/> 2.5 | <input type="checkbox"/> Attachment J (2.6) | |
| <input type="checkbox"/> 2.6 | <input type="checkbox"/> Attachment K (If applicable; 2.9) | |
| <input type="checkbox"/> 2.7 | <input type="checkbox"/> Attachment L (2.11) | |
| <input type="checkbox"/> 2.8 | <input type="checkbox"/> Attachment M (2.12) | |
| <input type="checkbox"/> 2.9 | <input type="checkbox"/> Attachment N (If applicable; 2.14) | |
| <input type="checkbox"/> 2.10 | | |

CHECKLIST
For Existing Tennessee Operator Proposing Exact Structure/Grade Focus

- Original Application
- General Information and Assurances
- 1.2
- 1.12
- 1.13
- 1.14
- 2.11
- 2.12
- 2.13
- 2.14 (If applicable)
- 2.15
- 2.16
- 3.4
- 4.1
- Attachment S (4.1)
- Attachment E (1.11)
- Attachment T (4.1)
- Attachment G (2.16)
- Attachment U (4.1)
- Attachment L (2.11)
- Attachment V (If applicable; 4.1)
- Attachment M (2.12)
- Attachment N (If applicable; 2.14)
- Attachment O (3.4)
- Attachment P (3.4)
- Attachment Q (3.4)
- Attachment R (4.1)

Attachment A



Date	Description	Students	Staff
July 5	Leaders and office staff return full-time: Work days (8-4)	Out	Leaders/office staff: In Instructional Staff: Out
July 19	New instructional staff arrive full-time: Professional Development (8-4)	Out	New instructional staff: In Returning instructional staff: Out
July 26	Returning instructional staff back: Professional Development (8-4)	Out	In
August 8	First day of school	In	In
August 24	Title I Meetings/Open House, 5:30-7pm	In	In
August 27	Free Friday	In	No Afterschool PD
September 6	Labor Day	Out	Out
September 16	Parent Teacher Conferences, 4-6:30pm	In	In
September 24	Free Friday	In	No Afterschool PD
October 11 - 15	Fall Break	Out	Out
November 11	Veterans Day	Out	Out
November 22 - 26	Thanksgiving Break	Out	Out
December 20 - December 31	Winter Break	Out	Out
January 3	First day of 2nd semester	In	In
January 17	MLK Jr. Day	Out	Out
February 10	Parent Teacher Conferences, 4-6:30pm	In	In
February 21	Presidents Day	Out	Out
February 25	Free Friday	In	No Afterschool PD
March 14 - 18	Spring Break	Out	Out
April 15	Good Friday	Out	Out
May 13	Free Friday	In	No Afterschool PD
May 20	Last day of school	In	In
May 23 - 27	All staff closeout 21-22 if needed	Out	All Staff Complete EOY closeout

Denver Campus (M-Th): 7:15AM - 3:45PM
 Denver Campus (Fri): 7:15AM - 2:30PM
 Denver Campus (Fri PD): 2:30-4:00 PM

Lester Campus (M-Th): 7:00AM - 3:30PM
 Lester Campus (Fri): 7:00AM - 2:15PM
 Lester Campus (Fri PD): 2:30 - 4:00 PM

Attachment B



**Cornerstone Prep School
Family and Student
Handbook**

Dear CPS families,

During the school year, we will continue to embark on a historic journey, the opening of Cornerstone Prep School. We will look to other, Lester Prep, as a bright, shining example that all students can achieve. Our Scholars at Cornerstone Prep School are charged with creating a positive narrative about the city of Memphis as we equip them with the “Wisdom and Knowledge” they need to find success in college and return to their communities as homegrown leaders. Impressively, Lester Prep, has already started creating this narrative with the following academic results from the Measures of Academic Progress (MAP) assessment:

1. *Lester Prep was #1 in the Achievement School District in growth in Science in 15-16, with 85% of students growing at least as fast as the average student with the same Fall score nationally.*
2. *Lester Prep was #1 in the Achievement School District in Student Reading Lexile growth attainment in 15-16.*
3. *Lester Prep students grew an amazing 2.3 grade levels in language during the 2016-2017 school year and 1.5 grade levels in math.*

To continue this success at CPS, we ask that you read the following pages so that you are familiar with the policies and procedures at CPS. CPS will place a great deal of emphasis on three key areas – ***attendance, timeliness, and uniform compliance***. The Family & Student Handbook explains in detail the policies pertaining to these areas.

Consistent attendance is a critical aspect of your child’s academic achievement. Therefore, CPS requires consistent attendance for your child to be promoted at year-end. Our rigorous curriculum makes attendance essential for Scholars to keep pace with classmates.

Arriving to school on time is another key to your child’s academic success. All Scholars who arrive after 7:20 AM are considered late and are missing essential instruction, disrupting the learning of other children, and risking falling behind on our curriculum. Consequently, we urge you to support us in ensuring that your child comes to school on time and on a regular basis.

All Scholars are expected to come prepared by wearing the CPS uniform each day. Wearing school uniforms unites the CPS community, reduces distractions, eliminates comparisons, and looks professional. We are asking that you discuss with your child the rationale and the importance of CPS’s uniform policy.

Thanks in advance for working with us on these three very important areas of your child’s education. I am thrilled about the new school year and look forward to working with you in making CPS another bright, shining example for Memphis.

Very truly yours,
Principal, Cornerstone Prep School

The Mission of Our Organization and School

Capstone Education Group is the organization and governing body of CPS and seeks to fulfill the same mission as the school, which is as follows: Cornerstone Prep School equips all students with the Wisdom and Knowledge necessary to succeed in college and to become leaders in their community.

Student Eligibility and Enrollment Priority Details

Cornerstone Prep School will enroll students who submit their applications within the enrollment time frame. If CPS receives more applications than available slots, an enrollment lottery will be conducted in compliance with the Tennessee Public Charter L, TCA 49-13-113.

Process for Enrollment

1. CEG will schedule the time frame to accept applications for enrollment.
2. If there are seats remaining by the close of the enrollment window, all students who have applied will gain admittance to CPS. Additional students will be accepted on a rolling basis.
3. If CPS receives more applications than seats available during the enrollment window, then all students will be enrolled in lottery. The expectations of the lottery are as follows:
 - The lottery will be public and open to all eligible applicants.
 - The lottery will be conducted by a designated person who is unaffiliated with Cornerstone Prep School or CEG school, and who has no relative applying.
 - Only applications that have been received by the close of the business day of the enrollment period, will receive lottery numbers.
 - All applications received after the enrollment period, will not receive lottery numbers
 - Eligible applicants will receive notification in writing with their lottery ID number, date, time, and location.
4. Students who are not selected through lottery, will be on CPS waitlist. As students transfer/withdraw, parents will be notified of the vacant seat and will have 48 hours to respond to accept the seat. If the parent declines or does not meet the 48-hour deadline, CPS will move on to the next student on the waitlist.

Transfers In

Ultimately, CEG school and operator leadership are responsible for deciding whether to receive a transfer student. CEG would like to ensure that its schools are able to make transfer enrollment decisions with full information and context. Accordingly, the following process should be followed when a transfer student arrives at a CEG school:

- Ask the family to provide the name of the student's previous school and school district.
- If the student is transferring from another school, require the family to present a copy of the school/school districts withdrawal form. A CEG school should not register a transfer student until it can confirm the student has been appropriately withdrawn from his/her previous school.
- CEG schools are encouraged to call the student's previous school directly to confirm the reason the student is no longer enrolled in the school.

CEG schools can choose to enroll a transfer student, even if he/she has an outstanding expulsion. However, administrators should always conduct the appropriate diligence before registering a student. Once a student has been registered at an CEG school, that school assumes responsibility for his/her education and placement.

Voluntary Transfers

If a parent/guardian decides to withdraw their child, the parent or guardian can request a transfer form. Parent/guardian are required to meet with the school principal to discuss possible options which can include placement at another CEG school.

Involuntary Transfers (Remand)

Once a transfer student has enrolled (either by school choice or voluntary mid-year transfer) at a CEG school, he/she is required to meet the behavioral expectations set forth in the school's student handbook. Student transfers may be denied or revoked if the student fails to meet those expectations, despite intensive interventions implemented by the school. Students whose transfers are denied or revoked are to return to their attendance zoned school.

NOTE: If you have any questions about the transfer or enrollment process, please contact Capstone Education Group- 901-416-3640.

Immunizations

No students entering school, including those entering kindergarten or first grade, those from out-of-state and those from nonpublic schools, will be permitted to enroll (or attend) without proof of immunization, as determined by the Commissioner of Public Health.¹ It is the responsibility of the parents or guardians to have their children immunized and to provide such proof to the principal of the school which the student is to attend.

Exceptions, in the absence of an epidemic or immediate threat thereof, will be granted to any child whose parent or guardian shall file with school authorities a signed, written statement that such measures conflict with his/her religious tenets and practices; or due to medical reasons if such child has a written statement from his/her doctor excusing him from such immunization. A homeless child or youth should be enrolled immediately and have full and equal opportunity even if no records are currently available. Proof of exceptions will be in writing and filed in the same manner as other immunization records. A list of transfer students shall be kept at each school throughout the school year in order that their records can be monitored by the Department of Health.

Student Services

Each school will provide and/or provide for special services that may be required to facilitate equitable access and participation of students based on varying factors such as being an English Language Learner (ELL), experiencing homelessness, requiring special education or gifted services; students' achievement level on State assessment; or attending a Title I school. Students and parents/guardians have the right to request teachers' and other paraprofessionals' qualifications.

¹ T.C.A. §49-6-5001.

English Language Learners

English Language Learners (ELL) are non-English language background students whose level of oral, reading, and written proficiency in English does not allow them to fully benefit from the curriculum and creates difficulty in regular classroom curriculum without specially designed modifications. ELL students have not yet met the definition of fluent English proficient (FEP). If the inability to understand, speak, read, or write the English language excludes a student from effective participation in the educational programs offered by the school, the school shall take appropriate action to rectify the English language deficiency in order to provide the student equal access and participation in its programs. The school shall develop and periodically update a local plan for providing ESL services for students whose native or dominant language is not English. The plan for implementation of appropriate instruction and ESL services for students who have limited English proficiency shall be in accordance with the current rules, regulations, and minimum standards of the State Board of Education, and state, and federal law.

Homeless and Migrant Students

Educational services will be provided for homeless or migrant students in accordance with local, state and federal guidelines (No Child Left Behind). A homeless child² lacks fixed, regular and adequate residence or has a primary residence in a supervised publicly or privately operated shelter for temporary accommodations, a public or private place not designated for use as regular sleeping accommodations for humans.

Students with Disabilities

The CEG is the local education agency (LEA) for all students with special needs (including students eligible for IEPs or 504s) geographically zoned to attend schools operated by the CEG. Partner Operators offer a full continuum of service options to meet the needs of all students. Unless otherwise required by a student's individualized education program (IEP), all students with disabilities may attend the same zoned school as her or his nondisabled peers, as the vast majority of special education needs can be met in the Least Restrictive Environment (LRE) at any CEG school. Each school shall provide access to a free appropriate public education to all disabled children residing within the jurisdiction of the school system.

The plan for implementation of appropriate instruction and special education services shall be in accordance with the current rules, regulations and minimum standards of the State Board of Education³, and State⁴, and federal⁵ law. Administrators, principals and teachers are responsible for providing an IEP or 504 Plan for each disabled student and for adhering to all components of this policy. Parents are responsible for becoming knowledgeable of their rights and participating in the IEP or 504 process.

² As defined by No Child Left Behind, Public Law 117-110

³ TRR/MS 0520-1-3-.09(3)(b)

⁴ T.C.A. §49-10-101

⁵ Education of Individuals with Disabilities 20, 1400-1485. Section 504 of the Rehabilitation Act of 1973. (Note: 504 of the Rehabilitation Act of 1973 has been interpreted by the courts to include individuals with contagious diseases to be disabled.)

Student Health

Communicable Diseases

No student will be denied an education solely because of a communicable disease, and his/her educational program shall be restricted only to the extent necessary to minimize the risk of transmitting the disease.⁶ Parents or guardians of infected students shall inform appropriate school officials of the infection so that proper precautions for the protection of other students, employees, and the infected student shall be taken. No student with a communicable disease which may endanger the health of either himself/herself or other individuals will enter or remain in the regular school setting. If a school principal has reason to believe a student has a communicable disease which may endanger the health of either himself/herself or other individuals in the regular school setting, the principal shall:

1. Assign the student to a setting which will protect other students, employees and the student himself; or
2. Exclude the student from school until certification is obtained from a physician or the County Health Department by either the parent or principal stating that the disease is no longer communicable.
3. If the superintendent/designee has reason to believe that the student has a long-term communicable disease, the principal must require confirmation from a physician or the County Health Department as to the student's condition. If the student is confirmed to have a long-term communicable disease, the principal shall refer the student for special education services.

The superintendent/designee may request that further examinations be conducted by a physician or County Health Department and may request periodic re-examinations after the student has been readmitted to the school. Expenses incurred from examinations requested by school officials shall be paid by the CEG. The names of all students excluded from school under this policy will be forwarded to the Office of the Superintendent.

Family Life Planning Curriculum

Tennessee requires schools residing in school districts with pregnancy rates above 19.5 per 1,000 females ages 15-17 to implement family life education. Because both Davidson County and Shelby County exceed this threshold, every CEG school provides an age-appropriate family life planning course that emphasizes abstinence until marriage and includes instructions for the prevention of HIV/AIDS and sexually transmitted diseases. Parents and legal guardians have a right to examine the grade level instructional materials and confer with school leaders regarding any or all portions of family life. A parent or guardian who wishes to excuse a student from any, or all, portions of family life shall submit a request, in writing, to the student's principal. A student who is excused from any or all portions of family life shall not be penalized for grading purposes if the student satisfactorily performs alternative health lessons.

School Calendar & Closings

⁶ T.C.A. §49-2-203; Rule 0520-01-03-.08.

Please see below for the Cornerstone Prep School Calendar for the scheduled school days for the school year. Please note that we follow the Shelby County School District calendar in most instances.

Cornerstone Prep School will only close school in cases of extreme weather conditions. In such situations, we will follow the Shelby County School District closing decisions. Please listen to local radio and television stations. If the Shelby County School District announces a delayed opening or a closing, Cornerstone Prep School will also be delayed or closed.

**Academic Calendar
Cornerstone Prep School**

Date	Event	Notes
August 8	First Day of School	Doors open 7am, Dismissal 3:30pm
August 24	Open House Night	5-7pm
Sept 6	No School	Labor Day/Professional Development Day
Sept 16	Parent Teacher Conferences	Appointments Made 4-7pm
Oct 6	Last Day of Quarter 1	Regular Friday Schedule, Dismissal 1pm
Oct 11-15	No School	Fall Break
Nov 11	No School	Veteran's Day
Nov 22-26	No School	Thanksgiving Break
Dec 20	Last Day of Quarter 2	Full Day of School, 7am-3:30pm
Dec 21-Jan 3	No School	Winter Break
Jan 3	First Day of Quarter 3	Full Day of School, 7am-3:30pm
Jan 17	No School	Martin Luther King Jr. Day
Feb 10	Parent Teacher Conferences	Appointments Made 4-7pm
March 8	Last Day of Quarter 3	Regular Friday Schedule, Dismissal 1pm
March 14-18	No School	Spring Break
March 20	First Day of Quarter 4	Full Day of School, 7am-3:30pm
April 15	No School	Good Friday
May 20	Last Day of School Year	Full Day of School, 7am-3:30pm
School Hours:		
Monday- Thursday, 7am-3:30pm Friday, 7am-1:00pm		

Arrival

- The school officially opens to all students at 7:00 AM each day. Please do not leave your child on the campus before 7:00 AM as doors will not open until 7:00.
- Students are tardy at 7:20. Breakfast is available to all students who arrive prior to 7:15.
- All Scholars should enter the school through the doors located directly east of the flagpole near the data room or at the doors on the west side of the building near the data room until 7:20. After 7:20, a family member should bring the Scholar to the main office and sign the Scholar into the school and receive a tardy slip.

Dismissal

Walkers will be dismissed at 3:20 Monday-Thursday and 1:00 on Friday. Car riders will be dismissed at 3:30 Monday-Thursday and at 1:10 on Fridays.

Families whose children are walking home are responsible for picking up Scholars outside of the school near the gym. Teachers will walk all students to exit doors located near the gym. Scholars will either exit on the east side of the data room or the first floor exit just west of the gym, dismissing the students just in front of the gym. Please wait outside the building until the teacher brings your child outside.

Carpool begins at 3:30. Please meet your student no later than 3:45 if they are riding home in a vehicle or walking home.

Families must submit a release form listing the names and information for any individuals other than parents or guardians who are authorized to pick up their child.

Attendance

Consistent attendance is a critical aspect of your child's academic achievement. Therefore, Cornerstone Prep School requires regular attendance for a child to be promoted to the next grade. The ambitious nature of our curriculum and school day make regular attendance essential for Students to keep pace with their classmates. Excessive absences will be considered a violation of the family agreement with Cornerstone Prep School and Students who miss an excessive number of days may not be promoted to the next grade. As required by law, excessive absences will also be reported to proper authorities. Listed below are the details regarding absences.

Tennessee law requires that all children between the ages of six (6) and seventeen (17) attend school.⁷ In the CEG, attendance is also mandatory for students who have been expelled and remanded to attend alternative education programs. Attendance is a key factor in student achievement and therefore, students are expected to be present and on-time each day that school is in session. Students and parents/guardians are responsible for ensuring regular school attendance. Unexcused absences are prohibited by law and policy. Cornerstone Prep School will notify parents/guardians when students are absent, provide opportunities to restore the student's attendance and offer access to resources to

⁷ T.C.A. §49-6-3001

address truancy challenges. Referral to Juvenile Court or to the District Attorney General will be the final option.⁸

Excused and Unexcused Absences

Absences for shall be classified as either excused or unexcused as determined by the principal or his/her designee. Excused absences shall include:

1. Personal illness or hospitalization of the student.
2. Illness or incapacitating condition of a family member that requires the temporary help of a student.
3. Death in the family.
4. Validated court appearances of the student.
5. Religious observances;⁹
6. One-day absence when the parent/guardian or custodian is deployed for military service and one-day absence when the parent/guardian or custodian returns from military service;¹⁰ or
7. Circumstances, which in the judgment of the principal, create emergencies over which the student has no control.

A student who does not receive prior approval from the teacher or principal/designee for an excused absence must submit documentation from a parent or guardian or other appropriate person describing the excused absence immediately upon the student's return to school, but, in any event, no later than three (3) school days after the absence was taken. If no documentation justifying the absence as excusable is submitted within the three-day period, the absence will become an unexcused absence.

In order to be counted present per CEG requirements, students must be in attendance for 4 hours for kindergarten and 6.5 hours for grades 1-8.

Appeals

Disputes over whether an absence is excused or unexcused shall be decided by the principal (or designee). After meeting with the parent/guardian, the principal will send the parent/guardian a letter confirming his or her decision and ensure that the student's attendance record is adjusted accordingly. The principal's decision can be appealed to the operator's designee, as specified in the principal's decision confirmation letter.

School Responsibilities

The principal/designee shall be responsible for ensuring that:

1. Parents are notified of compulsory attendance laws, the school's attendance goals and expectations, and the consequences for noncompliance.
2. Parents and students are informed of the avenues to talk about attendance-related problems with persons at the school whom they trust when poor attendance and truancy are a result of non-school related issues (e.g., family, social, economic).
3. Attendance is checked and reported daily for each class.
4. All student absences are verified.
5. Written excuses are submitted for absences and tardiness.

⁸ T.C.A. §49-6-3007

⁹ T.C.A. §49-6-2904

¹⁰ T.C.A. §49-6-3019

6. If necessary, verification is obtained from an official or other source to justify absences (e.g. letter from a doctor's office).
7. The school's student information system is updated daily with all students' attendance information to enable accurate district-wide reporting and monitoring of student attendance and interventions, when necessary; and
8. Unexcused Absence Procedures are implemented, including timely parent communications, attendance intervention support plan development and execution and operator/district notifications.

Unexcused Absence Process

1. If a student is absent without an excuse, the school will implement school-based interventions to encourage regular school attendance. At a minimum, the following attendance procedures shall be implemented upon the fifth (5th) unexcused absence:
 - a. Formal written communication from the school to parents/guardians informing them of their noncompliance with compulsory attendance laws, the consequences for failing to comply, and a request to participate in a school-level meeting to develop a plan to support the student's regular attendance. The plan shall be signed by the student, parent/guardian and principal and included in the student's file.
 - b. The student's truancy will be reported to the CEG and to the TN Department of Education via the school's weekly EIS transmission on student attendance, including the required transmission on student truancy that exceeds five unexcused absences.
 - c. All other forms of communications from the school to parents/guardians regarding student truancy may be conveyed in the form(s) that best meet student and school needs. Documentation of communication attempts and outcomes must be kept in the student's file, accessible by authorized district, state, community agency and law enforcement officials, upon request.
2. After a student has accumulated ten (10) or more unexcused absences, the school's Principal Designee will notify the Office of Portfolio Management (compliance@tnCEG.org) using the electronic truancy form.
3. Within 72 hours of receiving notification from the Operator or Principal Designee, a letter from the Office of Portfolio Management will be sent to the parents/guardians to:
 - a. Encourage them to partner with the school in implementing the student's Attendance Intervention Plan and,
 - b. Inform the parent/guardian that if the parent fails to take appropriate action within three (3) days of notice of noncompliance, the Juvenile Court, District Attorney's Office, and/or Department of Children's Services may be notified for appropriate legal action and the student will be dis-enrolled from school.

Any student who accumulates ten (10) or more days of unexcused absences within a school year may, if the parent fails to take appropriate action within three (3) days of notice of noncompliance, be referred to Juvenile Court, the District Attorney's Office, and/or the Department of Children's Services for appropriate legal action. However,

every attempt shall be made to intervene to support students prior to referral to these agencies.

Any student under age 18 is considered a dropout if he or she is absent 10 consecutive days or 15 unexcused absences in a single semester and system policies and procedures on truancy have been followed.

All Absences Require a Note or Call

Parents are required to provide a doctor's note, a note from the parent/guardian or a phone call to the school to inform the school of the reason for the child's absence. Parents must notify the school within 3 days of the child's absence.

All Absences – “Excused” and “Unexcused” – Are Still Considered Absences

Any day your child does not attend school is considered an absence.

Excessive Absences Diminish a Child's Opportunity for Promotion

A student who is frequently absent in a grading period is missing significant classwork. If a student is missing significant classwork, the family will be called to the school to discuss the problem and develop an attendance plan.

Please Do Not Miss School for Appointments

Families are responsible for scheduling medical appointments outside of school time. The best times are afternoons on Monday through Thursday (after 3:30 PM) or Friday after 1:00 or days when school is not in session. In the rare case when a student has a medical appointment that cannot be scheduled after school, please be sure the student only misses school for time necessary to attend the appointment, not the entire school day.

Celebrations for Attendance

Students who have perfect attendance are congratulated and recognized for exceptional attendance and commitment to their education.

Tardiness

Arriving to school on time is a key to your child's success. Breakfast is available to all students who arrive before 7:15. Students choosing not to eat breakfast may arrive anytime between 7:00 and 7:20. All students who arrive after 7:20 are late and are missing essential instruction, disrupting the learning of other children, and risk falling behind on our ambitious curriculum.

Per the CEG policy, any tardiness other than those allowed as excused absences are unexcused. The CEG considers more than 4 absences in a grading period to be excessive. Please make sure your child arrives on time, ready to learn, every day. Students who are tardy will miss a special subject each day they are tardy and multiple tardies will equal an unexcused absence.

Students who are tardy 5 times will be suspended overnight and require a parent or guardian to come to the school the morning after receiving the 5th tardy to meet with a school leader, sign the child back into school and discuss how to ensure the child's on-time arrival for the rest of the school year.

Students who are habitually tardy are subject to retention in their current grade and parents will be reported to the Department of Children's Services for educational neglect, in accordance to the Achievement School District policy in conjunction with directions from the Memphis & Shelby County Juvenile Court.

Early Departure

Students are expected to stay in school until the very end of the day. Early pickups are disruptive to the learning environment and require a teacher to stop teaching in order to release a student. Therefore, when an early departure cannot be avoided, a Cornerstone Prep School staff member will enter the classroom to get your child during a transition in the class. That may mean that a parent may need to wait in the office for 5-15 minutes until the class has reached a transition time. No early departures will be allowed after 2:45. In order to be counted present per CEG requirements, students must be in attendance for 4 hours for kindergarten and 6.5 hours for grades 1-8. Early departures will be treated like late arrivals. Your child may be required to attend an after-school tutoring session or make up the time in another specified time if he or she leaves school early more than 3 times in a grading period. Students who are habitually dismissed early are subject to retention in the current grade.

Families must submit a release form listing the names and information for any individuals other than parents or guardians who are authorized to pick up their child prior to the normal dismissal of the school.

Homework

Homework is an essential part of the Cornerstone Prep School educational program. Homework is designed to reinforce skills taught in the classroom, to help students develop a deeper understanding of concepts, and to promote good study habits. Homework will be assigned every night including weekends in order to keep your child actively learning. Please help your child be successful by creating routines at home for students to follow each day, requiring your student to complete their assignment each day and providing a quiet, organized place to work.

Homework completion is part of each student's grade. In addition, students will earn rewards for homework completion while students who consistently fail to turn in homework may be required to attend Homework club and will lose points on their average for that subject.

Make-Up Work

Students who are not in school miss critical academic assignments and assessments. Therefore, make-up work needs to be completed in order to ensure that your child masters the standard taught during the day missed. If a student is absent or dismissed

early for any reason, all missed homework assignments are due by 7:20 a.m. on the day of the student's return.

A student absent for more than one consecutive school day will have as many school days as absences to submit missed homework for purposes of academic credit. For example, if a student is absent on Monday and Tuesday, the student has two days to complete the homework for purposes of academic credit. In this case, the work is due by Friday morning at 7:20a.m.

Assessments

A student absent for any reason (up to five consecutive days), or dismissed early, must make-up all missed assessments (e.g., tests, quizzes) within the number of consecutive school days that the student had been absent. If a student is absent for five or more consecutive school days, the student must meet with the Principal to determine a reasonable timeline for making up missed assessments. Students who are absent the day of the scheduled state mandated tests will be permitted to take the required test in the allowed testing window.

All CEG schools are required to take the following assessments:

- Tennessee Comprehensive Assessment Program (TCAP) and TN Ready for grades 3-12.
- Measure of Academic Progress (MAP) for grade k-12.

Both assessments are required for students in the identified grades. The testing dates are identified in this handbook along with other important dates. Please be sure your child is in school for these assessments. Also, please note that TCAP and TN Ready scores will comprise 15% of a student's overall grade as required by the CEG.

MAP, TCAP and TN Ready scores will be distributed to families within two weeks of the returned scoring.

After School Work

Students may be required to stay after school or on Saturdays for various reasons, including:

- Detention Hall for inappropriate behavior
- Make up work caused by excessive absences or tardiness
- Extra tutoring sessions to help students address academic issues

Teachers or the administrative staff will communicate these needs to parents as soon as they are identified.

Promotion to the Next Grade

Cornerstone Prep School has tough standards for promotion. It is not automatically assumed that students will pass from one grade to the next. All students must earn promotion by demonstrating mastery of the essential knowledge and skills required. Students may not be promoted if they are performing significantly below grade-level

standards. Promotion decisions will be based on student grades, standardized test scores, attendance, homework completion record, and other measures. We will look thoughtfully at student test scores, examples of student work, teacher observations, and other measures to make these decisions.

A student may be retained for excessive excused or unexcused absences in a school year; having significant behavior problems that result in a lot of missed instruction time; or persistent trouble completing homework assignments.

Students who have IEPs will be promoted to the next grade based on successful completion of the goals of the IEP. However, Students with IEPs who have significant attendance or behavioral problems unrelated to their IEPs may be retained for these reasons.

The Tennessee Department of Education requires: 'Each local board of education shall develop a policy by which student scores on the ACH tests (grades 3-8) comprise a percentage of the student's final grade for the spring semester in the subject areas of mathematics, reading/language arts, science, and social studies. The percentage shall be determined by the local board from a range of no less than 15% and no more than 25%.'

Please note that the CEG's policy for all schools in the portfolio is that student scores on the ACH (currently known as TCAP and TN Ready) tests will comprise 15% of the student's final grade for the spring semester in the subject areas of mathematics, reading/language arts, science, and social studies.

Below are guidelines Cornerstone Prep School considers when determining if a student with a disability will be retained:

1. Retention is a change of placement and must be an IEP team decision.
2. The IEP team should consider the student's growth on IEP goals and the student's performance levels on cognitive assessments.
3. IEP teams should also consider the question: Will another year in the same grade lead to the student's ability to gain further access to and/or excel in the general education curriculum? If no, retention is likely not appropriate for the student. If yes, retention may be appropriate for the student.

The parent or guardian has the right to appeal the school's decision to promote or retain a student. Parents should direct their concerns to the appropriate person or department identified in the school's internal grievance policy.

School Uniforms

All students must come to school in the Cornerstone Prep School uniform each day. Parents of students wearing inappropriate clothing may be asked to come to the school immediately to correct the uniform violation or face other consequences. Students may miss special events and classes when not wearing the appropriate uniform and may be required to wear an appropriate uniform shirt to cover attire inconsistent with the uniform dress code. We require school uniforms for several very important reasons:

- 1) ***Uniforms unite us as a community.*** When you look at a group of students in the Cornerstone Prep School uniform, it is a powerful visual statement of our community.
- 2) ***Uniforms reduce distractions and clothing competition.*** Often students spend more time discussing and evaluating what others are wearing or not wearing than they spend focusing on learning. Wearing uniforms eliminates this distraction.
- 3) ***Uniforms eliminate comparisons.*** Whether families have high incomes or low incomes, the students come to school looking the same way. No one is made to feel less valued because of the clothes they own.
- 4) ***Uniforms look professional and shows students are prepared for school.*** Students look neat when they arrive to school with shirts tucked into their pants. The students come mentally prepared for school and “dressed for work.”

The Cornerstone Prep School uniform shirt is a polo style shirt that you may purchase at the school.

The appropriate complete uniform is described below:

Boys

- Cornerstone Prep School logo shirt, Khaki colored or black pants or shorts – Uniform style (no basketball shorts), black or brown belt, sneakers that are predominantly black or white and are not visually distracting (for example, the following are prohibited: shoes that flash, have fringe or glitter or wheels, or are neon) or black shoes, black or white socks. Boys’ earrings are prohibited.

Girls

- Cornerstone Prep School logo shirt, Khaki colored or black pants or shorts – Uniform style (no more than 1 inch above the knee), Khaki or black colored scooter, skort, or skirt - Uniform style with black or brown belt – no embellishments (ankle-length skirts are acceptable...for religious reasons), sneakers that are predominantly black or white and are not visually distracting (for example, the following are prohibited: shoes that flash, have fringe or glitter or wheels, or are neon); black shoes; or saddle oxfords.

Exceptions and adjustments will be gladly made for those students who need to wear different clothing for religious convictions.

Jackets, coats and sweaters often contain pockets, zippers, strings and hoodies that are very distracting and inhibit learning in the classroom. Therefore, Cornerstone Prep School sweatshirts and long sleeve shirts are available for purchase. Both items may be worn in the classroom for students who may be cold. Other sweaters and jackets may be worn to the school but will remain in student lockers during the instructional day.

Character Traits, Merits and Demerits

Cornerstone Prep School students grow in Wisdom and Knowledge every day. Much of the character development revolves around Cornerstone Prep School's **Core Values**:

Cornerstone Prep School students exhibit...

- **Fortitude** – Handle adversity with courage and character.
- **Responsibility** – Do what is right and what is required.
- **Respect** – Show consideration and care for yourself and your community.
- **Kindness** – Help others and encourage them to succeed.
- **Integrity** – Tell the truth at all times.

In order to set students up for college and career success, Cornerstone Prep School helps them understand which behaviors will facilitate their success, and which ones will create future obstacles. Students should contribute to their community by displaying positive behaviors and making good decisions. A school-wide system creates a positive community of learners, where everyone is aware of the expectations. This system is administered by school staff for individual student behaviors. This helps to remind students not to repeat misbehaviors and to use their learning time wisely. When students misbehave, they are issued demerits and when they make good choices, they are issued merits.

This system allows students to enjoy rewards and benefits for displaying good character and receive demerits, loss of privileges and other consequences for poor choices. These tools will help students get prepared for college and a life of leading after graduating from college. Scholars will receive a detailed description of merits and demerits, along with possible rewards and consequences, during their first week of school.

School Lunch Program

Cornerstone Prep School offers both breakfast and lunch. All families must complete a form that enables their child to participate in the meal program. Under the Community Eligibility provision, every student will eat for free.

Families may send lunch to school. However, students will not have access to a refrigerator or microwave. If you are sending lunch to school with your child, we ask that you send nutritious foods. Please do not let your child bring unhealthy drinks (e.g., colas or juices heavy in sugar) or unhealthy snacks to school. Candy, gum, and soda are not allowed to be brought to school. If you choose to send lunch, the entire lunch must be in one bag or container that has the student's name on it.

School Visitor Policy

Volunteers and parents/guardians/families are a vital part of the Cornerstone Prep School community. We welcome them as volunteers, observers, and partners in the education of our students. All visitors are required to report to one of the school offices upon entering the building.

The V-Soft Raptor System (commonly referred to as Raptor) is a visitor registration and management system that the Achievement School District uses. The Raptor system allows the school office to staff to produce visitor badges, quickly input student information, and electronically checks visitors against state and federal sex offender databases.

The Raptor system works by comparing each visitor's official identification (e.g., driver's license, passport, etc.) with a sex offender database, alerting school officials whether any matches are found. For all non-matches, Raptor will register the visitor's presence on campus, and produce a temporary ID badge for all visitors to wear while on school grounds.

Unless noted otherwise, all visitors must be checked into and out of the Raptor system during each school visit.

Those parents/guardians seeking to pick up a student should remain in the office while the student is brought to the office. Visitors must sign out before leaving the building. There will be no photos, videotaping or audiotaping by visitors on school grounds without permission.

Those who are not parents/guardians/families or approved volunteers may call the school 24 hours in advance to set up an appointment to visit the school.

In case of an emergency, parents or guardians should contact the Main Office either by phone or in person. Under no circumstances should parents or guardians contact students in their classrooms or attempt to remove students from the building without notifying and receiving permission from staff members in the Main Office.

Communication

Communication between parents and the Cornerstone Prep School staff enhances the academic achievement of students. Therefore, Cornerstone Prep School sends home critical information for all parents weekly. In addition, teachers may send home individual notes in the homework folder as well as making phone calls to parents.

Cornerstone Prep School also uses an automated call system to send out mass emails, phone calls, and text messages to families to alert them of important information such as absences, missing homework, uniform violation, early dismissals due to inclement weather, etc. Therefore, it is extremely important that families provide up-to-date contact information to our office staff.

Our staff will be glad to meet with you to discuss any concerns you have regarding your child, Cornerstone Prep School policies, etc. We ask that you not pull teachers or staff members during the school day to speak with you, as all staff members have assigned duties during the school day. Please call the office or put a separate note in your child's homework folder in order to schedule a time to meet a teacher or staff member.

Administering Medicines to Students

It is the policy of Cornerstone Prep School that all children's medication be administered by a parent or guardian at home. Under exceptional circumstances medication may be administered by school personnel under the appropriate administrative regulations.

If, under exceptional circumstances, a child is required to receive medication during school hours and the parents cannot be at school to administer the medication, principal or the principal's designee will administer the medication in compliance with the regulations that follow:

1. Medication (only if necessary) - Only medicines which absolutely **MUST** be given during the school hours should be brought by parent or guardian to school for dispensing at school. Please make arrangements for all other medicines to be given at home, either before or after school time. Most medications which need to be given one, two, or three times a day, can be given during the hours outside of school hours. Your child's health care provider can give you guidance about whether a dosage schedule can be changed. All medication will be brought to school by the parent or guardian, unless other arrangements have been approved by the school principal, but under no circumstance shall a student bring the medication to school by himself/herself. All medication must be brought in its original container whether it be a prescription or non-prescription medication.
2. Over-the-counter medicines usually will not be given at school. There may be some exceptions, but arrangements need to be made with the principal and/or designee. Parents will still have to complete a medication dispensation form.
3. Original Containers- All medicines must be in their original containers and correctly labeled. Prescription medicines must have a pharmacy label or a label from the doctor's office or health care facility which includes the child's name, name of the medicine, and strength of each unit of medicine, dosage amount, and time as well as the doctor's name. Over-the-counter medicines must be labeled with the child's name in a manner which does not cover up the original container label.
4. Parent Authorization- All medicines must have a Parent Authorization form completed, and the medicine container information must match the Parent Authorization. (A copy of this form is available in the school office.)
5. Physician Authorization – All prescription medication must have a medication dispensation form completed by the prescribing physician or facility. (A copy of this form is available in the school office).

Discipline Policy

Students will be held responsible and accountable for behavior that conveys these principles. Proper behavior is expected at all school-sponsored activities both during and after the regular school day. Cornerstone Prep School believes it is the role of educators to teach students proper behavior and to work with students who make poor decisions so

they can become equipped to be college and career-ready adults. Students who consistently or repeatedly fail to uphold Cornerstone Prep School standards of conduct and behavior, however, may be subject to disciplinary action up to and including expulsion.

For this policy, “suspension” means the removal of a student from the student’s regular school program for up to ten (10) school days. This suspension may be in or out of school. “Expulsion” means removed from the student’s regular school or removed from school attendance all together for 11 or more days. Remand” shall be defined as assignment to an alternative school or program.

In order to assure a safe and secure learning environment free of drugs, violence, and dangerous weapons, any student who engages in the following “Zero Tolerance” behaviors may be subject to suspension for a period of not less than one (1) school year:¹¹

1. Unauthorized possession of a firearm as defined by 18 U.S.C. §921
2. Committing *aggravated assault* of a “teacher, principal, administrator, any other employee of an LEA or school resources officer”¹²
3. Unlawfully possessing any drug including any controlled substance, as defined by §39-17-403-415, controlled substance analog, as defined by §39-17-454 or legend drug, as defined by §53-10-101

Expelled means removed from the student’s regular school or removed from school attendance all together. Nothing in this code shall be constructed to prohibit the assignment of expelled students to an alternative school. The CEG superintendent may modify expulsions on a case-by-case basis.

The following behaviors are also considered serious infractions and may lead to immediate suspension and/or expulsion.

1. Willful and persistent violation of the rules of the school or truancy
2. Immoral or disreputable conduct or vulgar or profane language
3. Violence or threatened violence against the person or property of any personnel or any student attending or assigned to any school.
4. Possession of a pistol, gun or firearm on school property.
5. Possession of a knife or other weapons, etc., as defined in TCA 39-6-170, on school property.
6. Marking, defacing, or destroying school property
7. Willful or malicious damage or theft of real or personal property of the school or the property of any person attending or assigned to the school or illegal entry into the school
8. Unlawful use or possession of barbitol or legend drugs as defined in TCA 53-10-101.
9. Unlawful use or possession of alcohol.
10. The sale or distribution of drugs and alcohol.

¹¹ T.C.A. §49-6-4216

¹² T.C.A. §49-6-3401(g)

11. One or more students initiating a physical attack on an individual student on school property or at a school activity, including travel to and from school
12. Assault or battery on school employees; (this includes physical and explicit verbal assault, including vulgar, obscene or threatening language)
13. Making a threat, including a false report, to use a bomb, dynamite, any other deadly explosive, including chemical weapons, on school property or at a school sponsored event
14. Any other conduct prejudicial to good order or discipline in any public school; and off-campus behavior that results in a student being legally charged with a felony and the student's continued presence in school poses a danger to persons or property or at school sponsored event
15. Inciting, advising or counseling of others to engage in any of the acts included above

Suspension and Expulsion as Consequences for Serious and/or Persistent Misbehavior

A student may be suspended and/or expelled for serious infractions. Misbehaviors in violation of the Student Code of Conduct, not otherwise constituting an expellable offense, may become a serious infraction subject to expulsion and/or suspension when the misbehavior is so persistent that, in cumulative effect, it is significantly disruptive of the educational process. The decision to expel shall be based on an assessment of the facts and circumstances of each case. Relevant factors, without prioritization, include, but are not limited to, the seriousness of the misconduct, the student's age, grade level, history of prior misconduct, health and safety issues, and disruptive effects upon the educational process.

Suspension Process

In addition to the above list of serious violations, the principal or designee has the authority to suspend a student for a period of up to five (5) school days to further investigate an incident or because of an emergency constituting endangerment to health or safety of students or staff.

A. PREREQUISITES TO SUSPENSION

Prior to suspending a student, the principal or designee must hold an informal conference with the student to:

1. Notify the student of the accusations against him/her.
2. Allow the student to relate his/her version of the incident; and
3. Determine whether the student's conduct warrants suspension.

B. NOTIFICATION TO PARENTS/GUARDIANS

If the principal or designee determines the student's conduct warrants suspension during the school day, the principal or designee must notify the student's parents/guardians that the student has been suspended before the student is sent home on the day the suspension occurs. The Principal/School Director or designee will notify a suspended student's parents/guardians of the period of suspension, the grounds for the suspension, and the time and place for an opportunity to confer with the Principal/School Director.

C. CREDIT DURING SUSPENSION

A student shall receive credit for work missed during the period of suspension if the work is completed within the same number of school days that the student was absent on suspension.

Suspension of Students in Pre-K Through Third Grade

Students in grades Pre-K through 3rd will be expelled/remanded to alternative education primarily for the following reasons:

1. Unauthorized possession of a firearm.
2. Possession or use of illegal drugs.
3. Committed aggravated assault* against a student, teacher, principal, administrator, or any other employee of an LEA or school resources officer as defined in T.C.A. §39-13-102.
4. Sexual offenses against another student that include sexual assault including aggravated sexual assault; or
5. Bringing and possession of explosive items such as a bomb, grenade, etc.

When determining whether an aggravated assault has occurred as defined in T.C.A. §39-13-102, the CEG defines “serious bodily harm” as injury to another student that requires immediate medical assistance and/or intervention. Examples would include bleeding, unconsciousness, or broken bones.

There may be other circumstances that could lead to an expulsion for students in Pre-k through 3rd grade. These will be considered on a case by case basis.

Expulsion Process

This process applies to expulsions (removal from the regular program for more than ten (10) days). The school will follow the steps below before applying an expulsion:

PREREQUISITES FOR EXPULSION

Prior to expelling a student, the Principal or designee must hold an informal conference with the student to:

1. Notify the student of the accusations against him/her.
2. Allow the student to relate his/her version of the incident.
3. Suspend the student for 5 days pending a decision on an expulsion.

NOTIFICATION OF PARENTS/GUARDIANS

If the expulsion is applied, the principal or designee shall immediately give written notice of the expulsion to the parent or guardian. The expulsion notice shall include the effective date and length of the expulsion, the reason for the expulsion, information about the parent’s right to appeal the expulsion decision to the Network Appeals Officer and the Office of the Superintendent, and referral of the parent to the CEG’s Alternative Education Coordinator in the Office of Portfolio Management, who will partner with the parent to assign the student to an alternative school, for which attendance is mandatory for the duration of the expulsion.

APPEAL TO THE NETWORK APPEALS OFFICER

Parents, students or guardians who wish to appeal may do so. All appeals shall be filed, orally or in writing, within five (5) days after receipt of the notice and may be filed by the parent or guardian, the student, or any person holding a teaching license who is employed by CEG, the CEG or an CEG authorized charter or transformation operator if requested by the student. The notice shall also state that failure to timely request an appeal constitutes a waiver of further rights in the matter.

The appeal from this decision shall be to Director of Special Education, who serves as the Network Appeals Officer. If the Director of Special Education has been involved in the decision, the Director of Academic Achievement will fill the role of the Network Appeals Officer.

The hearing shall be held no later than five (5) days after the beginning of the expulsion or remand. The Network Appeals Officer shall give written notice of the time and place of the hearing to the parent or guardian, the student, principal, and director of schools who ordered the expulsion or remand. Notice shall also be given to any employee who requests a hearing on behalf of a student who is expelled or remanded.

After the hearing, the Network Appeals Officer may affirm the decision of the director of schools, order removal of the expulsion, remand unconditionally, or, upon such terms and conditions as it deems reasonable, assign the student to an alternative program or suspend the student for a specified period of time.

If the decision is determined by the Network Appeals Officer, a written record of the proceedings, including a summary of the facts and the reasons supporting the decision, shall be made by the disciplinary hearing authority.

NOTIFICATION OF CEG OFFICE OF SUPERINTENDENT

If the expulsion is applied, all paperwork should be sent to the CEG's Manager of Enrollment and Discipline within 2 days of the decision to remand or expel. The CEG will partner with the parent to assign the student to an alternative school. In order to facilitate the CEG's swift placement of the student in alternative school and minimal lost instructional time, the expulsion notice to the CEG must include all required submission components as specified in the CEG's Expulsion Protocol.

APPEAL TO A DISCIPLINARY HEARING AUTHORITY APPOINTED BY THE SUPERINTENDENT

Appeals of expulsions shall be heard by a disciplinary hearing authority, consisting of members appointed by the Superintendent. Each appeal shall be heard by a hearing authority with at least one licensed employee of the CEG or one of its authorized schools. The hearing shall be audio recorded.

1. The Superintendent or designee shall give written notice of the time and place of the hearing to the parent or guardian, the student and the principal or designee.

The Superintendent or designee shall also notify the parties that:

- The notice shall include the reasons for the expulsion and state the same student rights as provided for suspension hearings, above.

- The hearing will be held within ten (10) days of the beginning of the expulsion.
- The hearing authority may affirm the decision of the school, or order removal of the expulsion unconditionally or upon such terms and conditions as it deems reasonable.

DECISION OF THE DISCIPLINARY HEARING AUTHORITY

Immediately following the appeal hearing, the hearing authority will notify the student and the student's parents/guardians in writing of his or her decision. The decision shall specify:

1. The length of the expulsion, if any.
2. Assignment to an alternative school, if applicable.
3. Procedures for re-admittance at the end of the expulsion period, if the expulsion is not permanent; and
4. The right to appeal the decision to the CEG Superintendent or designee.

APPEAL TO THE CEG SUPERINTENDENT OR DESIGNEE

The student or his/her parents/guardians may appeal the Disciplinary Hearing Authority's decision. The appeal process is as follows:

1. Parents may request a review by the CEG Superintendent by notifying him in writing within five (5) calendar days of the date of receipt of the decision by the Disciplinary Hearing Authority.
2. The CEG Superintendent will review the audio or transcribed record from the hearing.
3. The CEG Superintendent or designee will notify the student and his or her parents/guardians of the decision, in writing, within five (5) school days of the request for a hearing.

Discipline Process for Students with Special Needs

Schools may discipline students with special needs using in-school suspension, or out-of-school suspension. During in-school suspension, the school must provide services comparable to the student's IEP services and allow opportunities for the student to participate in his or her general curriculum.

A school may suspend a student with disabilities for up to 10 days without a duty to provide continued services specified in the student's Individual Education Program (IEP), review his or her Behavior Intervention Plan (BIP), or reconsider the Functional Behavior Assessment (FBA).

If a student is expelled or remanded, a manifestation determination review (MDR) must be conducted within the first 5 days of the student's removal. Parents must be notified at least 24 hours prior to the MDR. The MDR shall be used to determine (1) whether the conduct in question was caused by, or had a direct or substantial relationship to the child's disability, or (2) whether the conduct in question was the direct result of the school's failure to implement the IEP. Regardless of the MDR determination, services shall recommence on the 11th day of the student being removed from their primary school.

If the MDR determines that the conduct for a non-zero tolerance offence was a manifestation, the school must do the following: (a) conduct or review the student's FBA, (b) develop or modify a BIP, and (c) return the student to placement from which he or she was removed unless parents and school agree to a change of placement as part of modifications to the IEP or BIP. If the conduct was a zero-tolerance offense, the student can be placed in an alternative education setting for up to 45 days.

If the MDR determines that the conduct was not a manifestation, the student shall be disciplined in the same manner as non-disabled students would be for similar violations. Parent or school appeals of the MDR determination must be conducted within 20 days of notice of the MDR decision by the LEA representative. The representative has 10 days to render an appeal decision. During the appeal process, the student shall continue receiving disability services. Schools have the right to appeal to the special exceptions ruling if continuing IEP services is substantially likely to result in injury to the student or others. Students suspected of a disability should receive IDEA discipline protections if the school has knowledge that the student may have a disability before the behavior occurred. If the behavior occurs and the parent then alleges the child has a disability, schools should conduct an expedited evaluation. No discipline protections shall be provided until evaluation is complete.

Cell Phones

Students are not allowed to use cell phones in school or on school field trips. If a cell phone is used during school, rings during school, or is seen by a staff member, it will be confiscated from the student and only returned after a parent or guardian has come to the school to pick it up. Repeated violations of this policy may result in indefinite confiscation irrespective of any costs or fees students and/or their families may incur as a result.

Student Belongings

Students who disrupt class for any reason are violating school rules. This rule applies to students' personal possessions as well. Items including, but not limited to, game cards, trading cards, portable electronic games, toys, portable electronic devices, and cell phones are not allowed in school. Students who violate this rule will have their item(s) confiscated until the item(s) is picked up by a parent or guardian and will be subject to consequences. Repeated violations of this policy may result in indefinite confiscation irrespective of any costs or fees Students and/or their families may incur as a result.

Lost and Found

The school will keep a small Lost and Found box near the main office in Building C. Families may come in any day between 7:00 A.M. and 3:30 P.M. to search the Lost and Found. At the end of every Quarter, items left in the box may be donated to a local charity.

Regular Inspection

School property, such as lockers, desks, and network systems, technology resources and accounts owned or supplied by the school are jointly held by the school and the pupil. School authorities have the right to conduct general inspection of all such property and resources on a regular basis. During these inspections, items which are school property, such as overdue library books, may be collected. Students should not expect privacy for items and information left in such locations. A single desk, locker or a technology resource/account may be searched if reasonable grounds exist to believe that evidence of a violation of the law or a school rule is contained therein. Illegal items (e.g., weapons, drugs, etc.) or other possessions reasonably determined by proper school authorities to be a threat to the pupil's safety or to others' safety and security may be seized by school officials. Items which may be used to disrupt or interfere with the educational process may be temporarily removed from the pupil's possession by a staff member. Such items may be returned to the pupil by the staff member or through the Principal's office.

Family Educational Rights and Privacy Act

Cornerstone Prep School abides by FERPA law, which is the Family Educational Rights and Privacy Act. FERPA guarantees certain rights to families with respect to their children's education records. We are glad to provide this information to you, and please let us know if you have any questions.

FERPA stands for the Family Educational Rights & Privacy Act administered by the US Department of Education. FERPA guarantees certain rights to families with respect to their children's education records. Tennessee's laws regarding open records, contained in T.C.A. § 10-7-504, further refine the requirements for handling student records and information. What are education records? Education records include anything that contains information directly tied to a student (i.e. personally identifiable) and is maintained by a school or education organization. These records span formats and include both print and electronic information. The law distinguishes between "education records" and directory information.

What is directory information? Directory information includes things that would generally not be considered harmful or an invasion of privacy if disclosed, such as name, address, photograph, and age. Directory information may not include things such as a student's social security number or grades. Schools are required to notify parents of what information they designate as directory information. If appropriately designated, directory information can be disclosed to anyone. However, parents must have the right to 'opt out' of having their child's information released. Tennessee law does not allow for schools to identify student achievement as directory information. Therefore, schools cannot post honor roll or other academic information without consent.

Under FERPA, a school must annually notify parents of their rights. The annual notification must include information regarding a parent's right to inspect and review his or her child's education records, the right to seek to amend the records, the right to consent to disclosure of personally identifiable information from the records (except in certain circumstances), and the right to file a complaint with the DoE regarding an

alleged failure by a school to comply with FERPA. FERPA exempts disclosure of records to school officials with a legitimate educational interest from parental consent. Therefore, the school must also notify parents of its definitions of the terms "school official", and "legitimate educational interest." The annual notification may be published by various means, including any of the following: in a student handbook, at annual registration, in a letter/notice to parents, or on the school's website. Additionally, the CEG recommends schools include their directory information notice as part of the annual notice of FERPA rights.

Under FERPA, a school must provide a parent with an opportunity to inspect and review his or her child's education records within 45 days following the receipt of a written request. A school is required to provide a parent with copies of education records, or make other arrangements if necessary (e.g. the parent cannot travel to the school to view the record.) Under FERPA, a school is not required to provide information that is not routinely maintained or to create new education records in response to a parent's request. Accordingly, a school is not required to provide a parent with special updates on his or her child's progress in school unless such information already exists in an education record.

Under FERPA, a parent has the right to request that inaccurate or misleading information in his or her child's education records be amended. While a school is not required to amend education records, it must consider all requests. If the school decides not to amend a record in accordance with a parent's request, the school must inform the parent of his or her right to a hearing on the matter. If, as a result of the hearing, the school still decides not to amend the record, the parent has the right to insert a statement in the record setting forth his or her views. That statement must remain with the contested part of the student's record for as long as the record is maintained. The FERPA amendment procedure exists to challenge facts that are inaccurately recorded. It may not be used to challenge a grade, an opinion, or a substantive decision made by a school about a student. FERPA was intended to require that schools keep fair records, not to override the standards and procedures for making academic assessments, disciplinary rulings, or placement determinations.

Under FERPA, a school cannot disclose personally identifiable information from a student's education records unless the student's parent has provided written consent. However, there are a few important exceptions to that rule:

1. FERPA allows "school officials," including teachers, within a school to access personally identifiable information contained in education records provided the school has determined that they have "legitimate educational interest" in the information. School officials can include teachers, administrators, support staff, nurse/health staff, etc. As mentioned previously, a school must define both "school officials" and what it deems "legitimate educational interest" in its annual notification to parents. A school official generally has a legitimate educational interest if the official needs to review an education record in order to fulfill his or her professional responsibilities.

2. Another exception permits a school to disclose personally identifiable information from a student's education records, without consent, to another school or district in which the student seeks or intends to enroll. The sending school may make the disclosure if it has included a statement that it forwards education records in such circumstances in its annual notification of FERPA rights.
3. For students who are in state custody (including foster care), the Tennessee Department of Children's Services may access a student's educational records without parental consent, and school districts are not required to notify the parents of the child before releasing the information pursuant to a court order.
4. Authorized school officials may release or permit access to a student's education record, without consent, in the following circumstances. School or district officials will make a reasonable effort to notify the student's parent(s) or the eligible student before making a disclosure:
 - a. To comply with a judicial order or lawfully issued subpoena.
 - b. To comply with the requirements of child abuse reports to the extent known by the school officials including the name, address, and age of the child; the name and address of the person responsible for the care of the child, and the facts requiring the report;
 - c. When certain federal and state officials need information in order to audit or enforce legal conditions related to federally supported education programs in the school system.
 - d. When the school system has entered into a contract or written agreement for an organization to conduct scientific research on the system's behalf to develop tests or improve instruction, provided that the studies are conducted in a manner which will not permit the personal identification of students and their parents by individuals other than representatives of the organization and the information will be destroyed when no longer needed for the purpose for which the study was conducted;
 - e. To accrediting organizations to carry out their accrediting functions.
 - f. To financial institutions or government agencies that provide or may provide financial aid to a student in order to establish eligibility, to determine the amount of financial aid, to establish conditions for the receipt of financial aid, and to enforce financial aid agreements.
 - g. To make the needed disclosure in a health or safety emergency when warranted by the seriousness of the threat to the student or other persons, when the information is necessary and needed to meet the emergency, when time is an important and limiting factor, and when the persons to whom the information is to be disclosed are qualified and in a position to deal with the emergency;
 - h. To the Attorney General or his designee for official purposes related to the investigation or prosecution of an act of domestic or international terrorism. An educational agency that, in good faith, produces education

records in accordance with an order issued under this Act shall not be liable to any person for that production.

- i. To any agency caseworker or other representative of a state or local child welfare agency or tribal organization authorized to access the student's educational records when such agencies or organizations are legally responsible for the care and protection of the student.

The need to maintain confidentiality implies that records should be stored in a safe and secure location. Student records are kept in a locked file cabinet or another location with equivalent security.

If you have questions:

1. Consult the following resources:
 - a. FERPA General Guidance for Parents:
<http://www2.ed.gov/policy/gen/guid/fpco/ferpa/parents.html>
 - b. FERPA Revised Guidelines for State Educational Agencies and Local Educational Agencies:
http://www2.ed.gov/policy/gen/guid/fpco/pdf/sealea_overview.pdf
2. Contact your child's school (see Appendix).
3. Contact the CEG's Office of the Deputy Superintendent

Families have the right to file a complaint with the U.S. Department of Education concerning alleged failures by the Achievement School District to comply with the requirements of FERPA. The name and address of the office that administers FERPA is:

Family Policy Compliance Office
U.S. Department of Education
400 Maryland Ave., SW
Washington, DC 20202

The Achievement School District may disclose "directory" information unless the parent/eligible student annually objects to such disclosure in writing to the Superintendent within two weeks of enrollment. Directory information includes: Name, address, phone number, date of birth, grade level, gender, participation in officially recognized activities, weight and height of athletes, dates of attendance and photographs.

The CEG may disclose personally identifiable information from an education record to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the student or other individuals.

Discrimination Statement

Cornerstone Prep School does not discriminate on the basis of sex, race, national origin, creed, age, marital status, or disability in its educational program, activities, or employment policies as required by Title VI and VII of the 1964 Civil Rights Act, Title IX of the 1972 Educational Amendments, Section 504 of the Federal Rehabilitation Act of 1973, and the Americans with Disabilities Act. Inquiries, complaints, or grievances

should be referred to the CEG's Office of the Deputy Superintendent, 477 South Main Street, 4th Floor, Memphis, Tennessee 38103, (901)260-9659.

Board of Director Meetings

All meetings will be held at the Capstone Education Group office, located at 320 Carpenter, unless otherwise noted. Meeting dates and times are as follows:

- Sep 5 at noon
- December 5 at 5:30
- February 6 at noon
- May 29 at 5:30

Title I Parent Information

- Title I is the largest federal assistance program for our nation's schools. The goal of Title I is a higher quality of education for every child. The program serves millions of children in elementary and secondary schools each year.
- Districts receive Title I funds from the federal government (through the TN Department of Education) and distribute these funds to schools based on the number of low-income students (eligible for free/reduced price lunch). However, low-income is only used to distribute funds. Students are selected to receive Title I services if they have an academic need.
- For Title I School-wide Programs: Cornerstone Prep School students are in a Title I School-wide program. This means that our Title I money can be used to upgrade the educational program in ways that may impact every student in the school. This also means that every parent/guardian of a student in our school is a Title I parent.
- Listed below are some of these requirements that Cornerstone Prep School is meeting related to Title I:

Report cards on statewide academic assessment. Cornerstone Prep School will share a state report card at the end of the year that shows whether the school has been identified for school improvement and how our students achieved on the TCAP and TNREADY and other indicators of adequate yearly progress compare to those in the district and the state as a whole.

Teacher qualification. If a parent requests the information, Cornerstone Prep School will include at least whether the teacher has met state qualifications and licensing criteria for the grade levels and subject areas taught; whether the teacher is teaching under emergency or other provisional status; the baccalaureate degree major of the teacher and any other graduate certification. The information must also disclose whether the child is provided services by paraprofessionals, and if so, their qualifications. Cornerstone Prep School will also give timely notice that the parent's child has been assigned or has been taught for four or more consecutive weeks by a teacher who is not highly qualified.

Individual achievement on state assessment. Cornerstone Prep School will provide each parent information on the achievement level of their child on each of the state academic assessments (TCAP and TNREADY) as soon as is practicably possible after the test is taken.

- **Limited English proficiency programs.** Cornerstone Prep School has given home language surveys to all enrolled students and has informed all parents of students who are classified as English Language Learners of the academic program they are receiving with our ESL teacher.
- **Supplemental educational services.** Cornerstone Prep School has informed parents of all supplemental educational services that we provide for students such as extended school day, additional professional development for staff, during and after school tutoring, small group instruction, re-teach, computer literacy, technology, co-teacher model, paraprofessionals, behavioral interventionists, and various reading and math supplemental curriculum.
- **Parental involvement policy.** Parents have several rights, including:
 - Be involved in and request regular meetings to express concerns
 - Be provided updated information on your child's level of achievement
 - Request and receive information on the qualifications of your child's teachers
 - Cornerstone Prep School requires all parents to sign a Parent-Student Compact during registration which outlines their parental involvement policy. There are other opportunities for parents and the school to work together in addition to the original compact.
 - The school communicates via weekly parent newsletters placed in every child's homework folder, the parent bulletin board, parent-teacher conferences, the grade level curriculum meeting held in the fall, report cards, returned daily and weekly assessments, signed daily homework, paychecks, MAP, TCAP and TNREADY scores, and through regular communications with the School Leader or staff member.
 - Title I information is provided during the Title I meeting
 - Parents are encouraged to help with Friday celebrations, making copies, helping with arrival and dismissal, after school activities, or supporting teachers on certain projects.
- **Safe and drug-free schools programs.** In their Family Handbook, Cornerstone Prep School stated in their discipline policy that they are a safe and drug-free school.
- **Student privacy.** The Cornerstone Prep School Family Handbook contains information to all parents regarding their rights covered under FERPA.
- **Title I funding projects.** The Title I funds are providing:
 - Smaller teacher to student ratios
 - Differentiated instruction for all children
 - Parental involvement activities
 - Reading and instructional resources
 - Student computers

Parent and Community Grievance Policy

Cornerstone Prep School and CEG consider parent and community support and input vital to school accountability and success. The general policy and procedures for addressing parents' concerns or complaints about any CEG school in the district are provided below.

If parents or community members have a concern about Cornerstone Prep School, they should follow the following policy to reach a satisfactory resolution: (see summary chart: CEG Parent and Community Grievance Resolution Flowchart):

1. Contact the principal: Parents and community members are encouraged to communicate any concerns or complaints that they have directly with school leadership.
2. Contact the executive director: If the principal does not satisfactorily resolve a parent's complaint, the school's grievance policy specifies at least one additional department or leader to whom grievances may be escalated within the organization that operates the school.
 - a. Contact the Capstone Education Group's governing body. Cornerstone Prep School is governed by a board of directors under the organizational name of Capstone Education Group (CEG). If a parent or guardian of a student is not satisfied with a school-level or operator-level decision pertaining to a grievance, the parent or guardian may share concerns with the board of directors. The board meets publicly on a regular basis. Parents and guardians are encouraged to contact the CEG charter school principal for further information.

CEG, the governing body of Cornerstone Prep School, is the legal entity with authority to make final decisions regarding:

- Staffing.
- Instruction and instructional support program.
- Use of time; and
- Student support services and discipline practices

Where the issue involves a criminal violation of the law (e.g., a parent believes that his or her child has been physically abused by a school employee or another student), the parent should immediately contact the local police department and the Tennessee Department of Children's Services (DCS). School and district personnel who suspect student abuse are required to notify DCS and the CEG executive director and shall immediately do so upon notification or substantiated suspicion that a student has been abused.

Parent and Community Grievance Resolution Flowchart

1. WHICH TYPE OF PROBLEM AM I HAVING?			
<p>General Issues</p> <ul style="list-style-type: none"> Disagreement with a teacher or another student Don't like a discipline decision, except expulsion or if the decision could involve special education 	<p>Enrollment Issues</p> <ul style="list-style-type: none"> Confusion about enrollment Never received a school assignment I want to transfer my child to another school School said we should transfer or school said my child isn't a good fit 	<p>Special Ed Issues</p> <ul style="list-style-type: none"> My child is not receiving the special education services by his/her IEP I disagree with a decision made by the IEP Team 	<p>Critical Issues</p> <ul style="list-style-type: none"> My child has been expelled, or other serious discipline issues My child is in danger and the school hasn't responded Any serious legal or safety issues that the school has not addressed
2. WHO IS RESPONSIBLE FOR WORKING WITH ME TO FIND A SOLUTION?			
<p>These issues are the responsibility of the school. Contact the principal of the school.</p>	<p>Most issues can be resolved by the school. CEG's Manager of Student Information and Business Systems will ensure that the enrollment issue is resolved.</p>	<p>These issues can be resolved by the school. In addition, CEG's Director of Special Education can support with this issue.</p>	<p>These issues can be resolved by the school. In addition, the Executive Director of CEG schools can assist.</p>
3. WHAT STEPS NEED TO HAPPEN TO ADDRESS MY PROBLEM?			
<ul style="list-style-type: none"> Today you may contact the principal. Within 5 school days you should hear a response. After you've talked with the school you may not be happy with the decision. The principal can make many decisions for the school, and the CEG may not be able to change them. 	<p>FOR TRANSFERS</p> <ul style="list-style-type: none"> Please meet with your school to begin the transfer process. <p>FOR OTHER ISSUES</p> <ul style="list-style-type: none"> Today you may contact CEG's Manager of Student Information. Within 2 days the student membership and access office will let you know the next steps to resolve your issue. 	<ul style="list-style-type: none"> Today you may contact the principal. Within 3 school days you should be invited to a school IEP Team meeting to discuss your child's needs. The school must give you a 10-day notice. You may choose to meet sooner. You may request that the CEG's Special Education Director attend. Within 10 school days of the IEP Team meeting, any changes made to the IEP will be implemented unless otherwise determined by the IEP Team. 	<ul style="list-style-type: none"> Today you may contact the school to request support.. Within 2 school if you have not heard from the school, you should contact the Executive Director. Within 5 school days CEG will let you know the plan to address your problem, if it's not already addressed

Parent/Student/School Contract

At Capstone Education Group, we recognize that all members of the school community must work together to create an environment conducive to academic excellence. Every child learns best when his or her family is actively involved in the child's education and abides by the school's cultural expectations. Parents, students and the school's administration, teachers and staff all have responsibilities to promote student learning and growth.

As educational partners, we must agree to create a respectful school environment, with everyone treating others as valuable members of the community. Please read our behavior expectations as they are outlined below. School personnel, students and all parents/guardians need to sign this contract, indicating a willingness to uphold our responsibilities as active participants within our school community.

Parent/Guardian Agreement

I will ensure the success of my child as follows:

- My child arrives to school every day and attends classes prepared to work.
- Communicate regularly with my child's teachers and attend all parent-teacher conferences.
- Purchase at least one Capstone Education Group uniform top and be sure my child wears it to school each day.
- Check my child's homework every night to ensure it is completed thoroughly and on time

Parent Signature: _____

Student Agreement

I will strive to achieve success daily in the following ways:

- Seek to grow in Wisdom and knowledge every day.
- Take personal responsibility for all my words and actions.
- Come to school every day unless I am sick.
- Complete my homework each night.

Student Signature: _____

School Staff Agreement:

We will equip students with the Wisdom and Knowledge in the following ways:

- Create a school culture of high academic performance where students grow in Wisdom.
- Accurately identify each student's academic and behavioral needs and ensure all students receive quality instruction designed to meet those needs.
- Teach and model how a person with wisdom thinks, communicates and behaves.
- Communicate regularly with students and guardians regarding student academic achievement and behavior.

Principal Signature: _____

Attachment C

All student discipline information included in attachment B.

Attachment D

Cornerstone Prep School Enrollment Policy

State Enrollment Requirements

CPS enrolls eligible students, as defined in T.C.A. § 49-13-106, and complies with T.C.A. § 49-13-113. That includes the following:

- Students currently enrolled in CPS do not need to re-apply if they remain in CPS. Students moving from one charter school to CPS- even if both schools share a sponsor or governing body- are subject to the priority and preferences outlined in T.C.A. § 49-13-113.
- CPS applies the enrollment preferences in T.C.A. § 49-13-113(b) and (c).

CPS shall conduct an initial student application period of at least thirty (30) days. During this period, all eligible students may apply. If, at the end of the initial student application period, the number of eligible students seeking to be enrolled exceeds the school's capacity or the capacity of a program, class, grade level or building, then the enrollment of eligible students shall be determined on the basis of a lottery. Any such lottery shall be conducted within seven (7) calendar days of the close of the initial student application period. CPS will either have an independent accounting firm or law firm certify that each lottery conducted complied with the statutory requirements or, prior to the lottery, have the lottery process approved by the department of education.

If, at the end of the initial student application period, the number of eligible students seeking to be enrolled does not exceed the school's capacity or the capacity of a program, class, grade level or building, then the enrollment of eligible students may proceed on a first come/served basis.

Student Eligibility and Enrollment Priority Details

Cornerstone Prep School will enroll students who submit their applications within the enrollment time frame. If CPS receives more applications than available slots, an enrollment lottery will be conducted in compliance with the Tennessee Public Charter L, TCA 49-13-113. Any pre-admission activities for students or parents are designed for informational purposes only and do not indicate a student has been enrolled.

Process for Enrollment

1. CEG will schedule the time frame to accept applications for enrollment.
2. If there are seats remaining by the close of the enrollment window, all students who have applied will gain admittance to CPS. Additional students will be accepted on a rolling basis.
3. If CPS receives more applications than seats available during the enrollment window, then all students will be enrolled in lottery. The expectations of the lottery is as follows:
 - The lottery will be public and open to all eligible applicants.
 - The lottery will be conducted by a designated person who is unaffiliated with Cornerstone Prep School or CEG school, and who has no relative applying.
 - Only applications that have been received by the close of the business day of the enrollment period, will receive lottery numbers.
 - All applications received after the enrollment period, will not receive lottery numbers

- Eligible applicants will receive notification in writing with their lottery ID number, date, time, and location.
4. Students who are not selected through lottery, will be on CPS waitlist. As students transfer/withdraw, parents will be notified of the vacant seat and will have 48 hours to respond to accept the seat. If the parent declines or does not meet the 48-hour deadline, CPS will move on to the next student on the waitlist.

Transfers In

Ultimately, CEG school and operator leadership are responsible for deciding whether to receive a transfer student. CEG would like to ensure that its schools are able to make transfer enrollment decisions with full information and context. Accordingly, the following process should be followed when a transfer student arrives at a CEG school:

- Ask the family to provide the name of the student's previous school and school district.
- If the student is transferring from another school, require the family to present a copy of the school/school districts withdrawal form. A CEG school should not register a transfer student until it can confirm the student has been appropriately withdrawn from his/her previous school.
- CEG schools are encouraged to call the student's previous school directly to confirm the reason the student is no longer enrolled in the school.

CEG schools can choose to enroll a transfer student, even if he/she has an outstanding expulsion. However, administrators should always conduct the appropriate diligence before registering a student. Once a student has been registered at an CEG school, that school assumes responsibility for his/her education and placement.

Voluntary Transfers

If a parent/guardian decides to withdraw their child, the parent or guardian can request a transfer form. Parent/guardian are required to meet with the school principal to discuss possible options which can include placement at another CEG school.

Involuntary Transfers (Remand)

Once a transfer student has enrolled (either by school choice or voluntary mid-year transfer) at a CEG school, he/she is required to meet the behavioral expectations set forth in the school's student handbook. Student transfers may be denied or revoked if the student fails to meet those expectations, despite intensive interventions implemented by the school. Students whose transfers are denied or revoked are to return to their attendance zoned school.

Processing Enrollment Applications

1. Parents will receive an enrollment application and parent student handbook. Materials in the enrollment application include requests for address verification, immunization records, birth certificate, previous report card.
2. When parents submit enrollment application to office staff personnel, the packet is time stamped to indicate the date of receipt.
3. A child is officially enrolled to CPS when all information required documents are received and information is uploaded onto PowerSchool.

Dates and Deadlines

- CMPS shall conduct an initial student application period from March 1 through July 25. During this period, all eligible students may apply.
- If, at the end of the day on July 25, the number of eligible students seeking to be enrolled exceeds the school's capacity or the capacity of a program, class, grade level or building, then the enrollment of eligible students shall be determined on the basis of a lottery.
- The lottery shall be conducted on July 29.

Attachment E

CEG has existing agreements and/or partnerships with the following organizations that we believe would continue to provide support at CPS:

- Communities in Schools
- Memphis Teacher Residency Program
- Le Bonheur
- Teach For America
- Agape North
- Christ Community Health Services
- Christ Methodist Church
- Arise to Read
- Memphis Athletic Ministries
- Southern College of Optometry

Once approved, CEG will approach these, and many other community organizations, to attain partnership agreements, letters of understanding and contracts to serve the students and families of the Sherwood and Parkway Village area.



STATE OF TENNESSEE
Tre Hargett, Secretary of State
 Division of Business Services
 William R. Snodgrass Tower
 312 Rosa L. Parks AVE, 6th FL
 Nashville, TN 37243-1102

Capstone Education Group, Inc
 4488 POPLAR AVE
 MEMPHIS, TN 38117-3716

March 30, 2012

Filing Acknowledgment

Please review the filing information below and notify our office immediately of any discrepancies.

Control # :	682357	Formation Locale:	SHELBY COUNTY
Filing Type:	Corporation Non-Profit - Domestic	Date Formed:	03/22/2012
Filing Date:	03/22/2012 1:15 PM	Fiscal Year Close	12
Status:	Active	Annual Rpt Due:	04/01/2013
Duration Term:	Perpetual	Image # :	7020-0475
Public/Mutual Benefit:	Public		

Document Receipt

Receipt # : 700993	Filing Fee:	\$100.00
Payment-Check/MO - EVANS PETREE PC, Memphis, TN		\$100.00

Registered Agent Address:

Drew Sippel
 4488 POPLAR AVE
 MEMPHIS, TN 38117-3716

Principle Address:

4488 POPLAR AVE
 MEMPHIS, TN 38117-3716

Congratulations on the successful filing of your **Charter** for **Capstone Education Group, Inc** in the State of Tennessee which is effective on the date shown above. You must also file this document in the office of the Register of Deeds in the county where the entity has its principal office if such principal office is in Tennessee.

You must file an Annual Report with this office on or before the Annual Report Due Date noted above and maintain a Registered Office and Registered Agent. Failure to do so will subject the business to Administrative Dissolution/Revocation.

Tre Hargett
 Secretary of State

Processed By: Darlene Baskin

FILL

Received by Tennessee Secretary of State The Hargett 03/22/2012, 13:15:37, 7020.0475

STATE OF TENNESSEE
CHARTER
OF
CAPSTONE EDUCATION GROUP, INC.

Pursuant to the Tennessee Nonprofit Corporation Act (the "Act"), the undersigned hereby adopts the following Charter for the abovementioned corporation:

1. Name. The name of the corporation (the "Corporation") is "Capstone Education Group, Inc."
2. Public Benefit Corporation. The Corporation is a public benefit corporation. It is intended that the Corporation shall have the status of a corporation that is exempt from federal income taxation under §501(a) of the Internal Revenue Code of 1986, as amended (the "Code"), as an organization described in §501(c)(3) thereof.
3. Registered Office and Agent. The address of the Corporation's initial registered office is 4488 Poplar Avenue, Memphis, Shelby County, Tennessee 38117, and the name of the Corporation's initial registered agent at that office is Drew Sippel.
4. Incorporator. The name and address of the Corporation's sole incorporator is Paul F. T. Edwards, Evans Petree PC, 1000 Ridgeway Loop Road, Suite 200, Memphis, Shelby County, Tennessee 38120.
5. Principal Office. The address of the Corporation's initial principal office is 4488 Poplar Avenue, Memphis, Shelby County, Tennessee 38117.
6. Not-for-Profit. The Corporation is not-for-profit.
7. Members. The Corporation will not have members.
8. Purposes. The Corporation is operated exclusively for charitable purposes within the meaning of §§501(c)(3) and 170(c) of the Code, including but not being limited to the establishment, operation and support of one or more Charter Schools in accordance with the Tennessee Public Charter Schools Act of 2002, as amended, restated or replaced from time to time.
9. Board of Directors and Officers. The affairs of the Corporation shall be managed (i) by a Board of Directors whose members will be designated and appointed as provided by the Corporation's Bylaws, and (ii) by such officers as will be described in the Bylaws of the Corporation and elected by the Board of Directors.
10. Limited Personal Liability of Directors. To the full extent that the Act, as it exists on

the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors, a director of the Corporation shall not be personally liable to the Corporation for monetary damages for a breach of fiduciary duty as a director, except for liability: (i) for any breach of the director's duty of loyalty to the Corporation; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law; and (iii) under §48-58-304 of the Act, as the same exists or hereafter may be amended. If the Act hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the full extent permitted by the amended Act. Any repeal or modification of this Section 10 shall be prospective only and shall not adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such repeal or modification.

11. Private Inurement. No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to any of its directors or officers, or any other private individual; provided that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to it or on its behalf, to pay reimbursements for reasonable expenses incurred on its behalf, and to make payments and distributions in furtherance of the charitable purposes set forth in Section 8 hereof.

12. Limitation on Activities of Corporation. At all times, notwithstanding any merger, consolidation, reorganization, termination, dissolution or winding up of the Corporation, whether voluntary or involuntary or by operation of law, or any other provisions of the Charter:

(a) The Corporation shall not possess or exercise any power or authority, or engage directly or indirectly in any activity, which is inconsistent with its charitable purposes as stated in Section 8 hereof or that will or might prevent it at any time from qualifying as a corporation described in §§501(c)(3) and 170(c) of the Code;

(b) No part of the assets or net earnings of the Corporation shall ever be used, nor shall the Corporation ever be organized or operated, other than exclusively for the promotion of the charitable purposes of the Corporation as set forth in Section 8 hereof and consistent with §§501(c)(3) and 170(c) of the Code; and

(c) Notwithstanding any other provisions of this Charter, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization described in §§501(c)(3) and 170(c) of the Code.

13. No Legislative or Political Activity. No substantial part of the activities of the Corporation shall be for the carrying on of propaganda or otherwise attempting to influence legislation; and the Corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

14. Private Foundation Limitations. If the Corporation is a private foundation within the meaning of §509 of the Code for a taxable year, the Corporation:


- (a) Shall not engage in any act of self-dealing, as defined in §4941(d) of the Code;
- (b) Shall not retain any excess business holdings, as defined in §4943(c) of the Code, which would subject the Corporation to tax under §4943 of the Code;
- (c) Shall not make any investments that would subject the Corporation to tax under §4944 of the Code;
- (d) Shall not make any taxable expenditures, as defined in §4945(d) of the Code; and
- (e) Shall distribute the income of the Corporation for each taxable year at such times and in such manner as not to become subject to the tax on undistributed income imposed by §4942 of the Code.

15. Distribution of Assets Upon Dissolution. Upon the dissolution of the Corporation, after paying or making provision for payment of all liabilities of the Corporation then outstanding and unpaid, the Board of Directors shall distribute the assets of the Corporation to one or more organizations then described in §§501(c)(3) and 170(c) of the Code, or any corresponding provisions of any future federal tax laws, as the Board of Directors shall determine. Any assets not so disposed of by the Board of Directors shall be disposed of by a court having equity jurisdiction in the county in which the principal office of the Corporation is then located, with the distribution of assets to be made to such organization or organizations which are organized and operated exclusively for charitable purposes within the meaning of §§501(c)(3) and 170(c) of the Code, or any corresponding provision of any future federal tax laws, as such court shall determine.

16. Religion. The Corporation is not a religious corporation.

17. Captions. All captions used in this Charter are employed solely as a matter of convenience and shall not be considered or relied upon in construing the effect or meaning of any provision of this Charter.

DATED this 21st day of March, 2012.




Paul F. T. Edwards, Incorporator



Tom Leatherwood

Shelby County Register

As evidenced by the instrument number shown below, this document has been recorded as a permanent record in the archives of the Office of the Shelby County Register.

	
12037770	
04/04/2012 - 08:37 AM	
4 PGS	
KATHERINE 938378-12037770	
VALUE	0.00
MORTGAGE TAX	0.00
TRANSFER TAX	0.00
RECORDING FEE	5.00
DP FEE	2.00
REGISTER'S FEE	0.00
WALK THRU FEE	0.00
TOTAL AMOUNT	7.00
TOM LEATHERWOOD	
REGISTER OF DEEDS SHELBY COUNTY TENNESSEE	

1075 Mullins Station, Suite W 165 ~ Memphis, Tennessee 38134 (901) 222-8100
Website: <http://register.shelby.tn.us> Email: Tom.L Leatherwood@shelbycountyttn.gov



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Date: MAY 17 2013

Capstone Education Group, Inc.
4488 Poplar Avenue
Memphis, TN 38117

Employer Identification Number:
45-4885204
Person to Contact and ID Number:
Maria Di Miceli, 2862951
Toll Free Contact Number:
(877) 829-5500
Accounting Period Ending:
June
Public Charity Status:
509(a)(1) & 170(b)(1)(A)(ii)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
March 22, 2012
Contribution Deductibility:
Yes

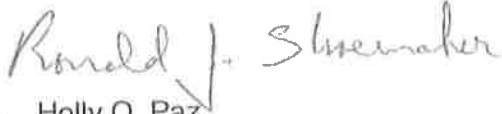
Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. **Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.**

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed *Compliance Guide for 501(c)(3) Public Charities* for some helpful information about your responsibilities as an exempt organization.

Sincerely,


for Holly O. Paz
Director, Rulings and Agreements

Enclosure: *Pub. 4221-PC, Compliance Guide for 501(c)(3) Public Charities*

**BYLAWS
OF
CAPSTONE EDUCATION GROUP, Inc.**

**ARTICLE I
NAME**

Section 1.1 Name. The name of the non-profit corporation is Capstone Education Group. (the "Corporation").

**ARTICLE II
OFFICE**

Section 2.1 Principal Office. The principal office for the transaction of the activities and affairs of the Corporation is 4488 Poplar Avenue, Memphis, Tennessee 38117. The Board of Directors may change the principal office from one location to another. Any change of location of the principal office shall be noted by the Secretary on these Bylaws opposite this Section, or this Section may be amended to state the new location.

Section 2.2 Other Offices. The Board of Directors may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

**ARTICLE III
PURPOSE**

Section 3.1 Purpose. The Corporation is organized exclusively for charitable, scientific, literary and educational purposes under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal code, including for such purposes, the establishment, operation and support of one or more Charter Schools in accordance with the Tennessee Public Charter Schools Act of 2002, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code (the "Code"), or corresponding section of any future federal code, and within the aforesaid limitations, to the extent consistent with the Corporation's Charter, to do any and all things permitted for a corporation not for profit under the Tennessee Nonprofit Corporation Act Section 48-51-101, *et. seq.* (the "Act").

Section 3.2 Nondiscriminatory Policy. The Corporation admits students of any race, color, national origin and ethnic origin to all the rights, privileges, programs and activities generally accorded or made available to students at the school. It does not discriminate on the basis of race, color, national origin and ethnic origin in administration of its educational policies, admission policies, scholarship and loan programs, and athletic and other school-administered programs.

ARTICLE IV BOARD OF DIRECTORS

Section 4.1 Board of Directors. In accordance with its Charter, the Corporation shall have no members. All corporate powers shall be exercised by or under the authority of, and the affairs of the Corporation including financial and business matters managed under the direction of, its Board of Directors.

Section 4.2 Number, Tenure and Qualifications. The Board of Directors shall consist of not less than five (5) and not more than nine (9) individuals, including the Executive Director of the School. The exact number is to be determined by the Board of Directors at its sole discretion. Directors need not be residents of the State of Tennessee. The number of Directors may be fixed or changed from time to time, within the minimum and maximum, by the members of the Board of Directors; provided, however, that a decrease in the number of Directors shall not shorten an incumbent Director's term. Initial Directors may be named in the Charter or, if not, may be elected by the Incorporator(s) of the Corporation. Thereafter, Directors shall be elected by a majority vote of the incumbent Directors of the Corporation present and voting. The Directors shall be elected at the annual Directors' meeting to be held during the second quarter of the calendar year. The term of each Director shall be three (3) years, as determined by the Directors when in office at the time of the election of each Director. At the end of the three (3) year term, the Director may elect to step down or be nominated to serve a second three (3) year term. A Director may serve for an indefinite time unless two-thirds (2/3rds) of the members of the Board of Directors request that the Director resign from his or her position. Despite the expiration of a Director's term, he or she shall continue to serve either until his or her successor is elected and qualified or until there is a decrease in the number of Directors.

Section 4.3 Resignation of a Director. A Director may resign at any time by delivering written notice to the Board of Directors, the President, or to the Corporation. A resignation shall be effective when the notice is delivered unless the notice specifies a later effective date. A vacancy created by a resignation that will occur at a specific later date may be filled before the vacancy occurs, but the new Director may not take office until the vacancy occurs. A Director may voluntarily request to be removed from the Board of Directors and later ask to be reinstated after the next three (3) year term has been completed. A Director shall resign when such Director can no longer agree with or uphold the Corporation's doctrinal statement.

Section 4.4 Removal of Directors. Any member of the Board of Directors may be removed by the affirmative vote of a majority of the then acting Directors, with or without cause, at any annual meeting or any special meeting of the Board of Directors called for that purpose and attended by a quorum of the Directors. Any vacancy in the Board of Directors caused by removal, death, resignation or an increase in the number of Directors by reason of amendment of the Bylaws shall be filled as specified in Section 4.5.

Section 4.5 Vacancies. Any vacancy occurring on the Board of Directors and any directorship to be filled by reason of an increase in the number of Directors may be filled by an affirmative vote of the Directors then in office. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. In the event of a vacancy on the Board of Directors reducing the number of Directors to less than five (5), an election shall be held as soon as possible and not more than ninety (90) days from the time the Board of Directors, the President, or the Corporation receives the Director's written notice of resignation.

Section 4.6 Regular Meetings of the Board of Directors. The Board of Directors shall meet on a quarterly basis, at least four (4) times per calendar year, at a regularly appointed time and place, as established by the Board of Directors. The President may waive any regular meeting of the Board of Directors. The Board of Directors shall permit any or all of the Directors to participate in a regular meeting by, or conduct such meeting through the use of, any means of communication by which all of the Directors participating may simultaneously hear each other during such meeting. A Director participating in a meeting by this means shall be deemed to be present in person at such meeting.

Section 4.7 Annual Meeting of the Board of Directors. The annual meetings of the Board of Directors shall be held in or out of the State of Tennessee during the second quarter of the calendar year, at such time, date and place as determined by the Board of Directors.

Section 4.8 Special Meetings of the Board of Directors. The Board of Directors may hold special meetings in or out of the State of Tennessee, and such meetings may be called by the President or a majority of the Board of Directors. The Board of Directors shall permit any or all of the Directors to participate in a special meeting by, or conduct such meeting through the use of, any means of communication by which all of the Directors participating can simultaneously hear each other during such meeting. A Director participating in a meeting by this means shall be deemed to be present in person at such meeting.

Section 4.9 Notice of Meetings of the Board of Directors. Written notice regarding the regular meetings of the Board of Directors shall be issued at least seven (7) days in advance of such meeting. Special meetings of the Board of Directors shall be preceded by at least two (2) days' notice to each Director of the date, time and place of such meeting. Except as provided in Section 7.6, the notice need not describe the purpose of the special meeting. Any Board of Directors action to remove a Director or to approve a matter which would require approval by the members if the Corporation had members shall not be valid unless each Director is given at least seven (7) days' written notice that the matter will be voted upon at a Directors' meeting or unless notice is waived pursuant to the provisions of Section 4.11 of these Bylaws. Notice of an adjourned meeting need not be given if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken and if the period of adjournment does not exceed one (1) month in any one (1) adjournment.

Section 4.10 Action Without Meeting. Action required or permitted to be taken by the laws

of the State of Tennessee at a meeting of the Board of Directors may be taken without a meeting. If all the Directors consent to taking such action without a meeting, the affirmative vote of the number of Directors that would be necessary to authorize or to take such action at a meeting shall be the act of the Board of Directors. The action must be evidenced by one (1) or more written consents describing the action taken, signed by each Director in one (1) or more counterparts, indicating each signing Director's vote or abstention on the action, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this section shall be effective when the last Director signs the consent, unless the consent specifies a different effective date. A consent signed under this section shall have the effect of a meeting vote and may be described as such in any document.

Section 4.11 Waiver of Notice. A Director may waive any notice required by these Bylaws, the Charter, the Act, or by any provision of the laws of the State of Tennessee, before or after the date and time stated in the notice. The waiver must be in writing, signed by the Director entitled to the notice, and filed with the minutes or corporate records. In addition, a Director's attendance at or participation in a meeting waives any required notice to him or her of such meeting unless the Director at the beginning of such meeting (or promptly upon his or her arrival) objects to holding such meeting or transacting business at such meeting and does not thereafter vote for or assent to the action taken at such meeting.

Section 4.12 Quorum and Voting. Except as otherwise provided by the laws of the Act, the Charter or these Bylaws, a quorum of the Board of Directors consists of two-thirds (2/3rds) of the Directors in office immediately before a meeting begins. When a quorum is once present to organize a meeting, a meeting may be later adjourned despite the absence of a quorum caused by the subsequent withdrawal of any of those Directors present. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Directors present is the act of the Board of Directors unless the Act, the Charter or the Bylaws require the vote of a greater number of Directors. A Director who is present at a meeting of the Board of Directors when corporate action is taken shall be deemed to have assented to the action taken unless: (i) he or she objects at the beginning of the meeting (or promptly upon his or her arrival) to holding it or transacting business at such meeting; (ii) his or her dissent or abstention from the action taken is entered in the minutes of the meeting; or (iii) he or she delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of such meeting. The right of dissent or abstention shall not be available to a Director who votes in favor of the action taken.

Section 4.13 Discharge of Duties. A Director shall discharge his or her duties as a Director, including his or her duties as a member of a committee, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he or she reasonably believes to be in the best interests of the Corporation. In discharging his or her duties, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: (i) one (1) or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent

in the matters presented; (ii) legal counsel, public accountants or other persons as to matters the Director reasonably believes are within the person's professional or expert competence; or (iii) a committee of the Board of Directors of which he or she is not a member, as to matters within its jurisdiction, if the Director reasonably believes the committee merits confidence. However, a Director is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by these Bylaws unwarranted. A Director shall not be liable for any action taken as a Director, or any failure to take any action, if said Director has performed the duties of said Director's office in compliance with these Bylaws or if said Director is immune from suit pursuant to the provisions of Section 48-58-601 of the Act, as now in effect or as may be hereafter amended. A Director shall not be deemed to be a trustee with respect to the Corporation or with respect to any property held or administered by the Corporation including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

ARTICLE V OFFICERS

Section 5.1 Officers. The officers of the Corporation shall be elected by the Directors for a term of two (2) years and shall serve until their successors are elected and qualified. Officers must be elected by a majority vote of those Directors present and voting, but not less than two-thirds (2/3rds) of the current Directors serving on the Board of Directors. The officers shall be elected at the Annual Directors' meeting. All terms of office shall begin on July 1. The officers of the Corporation shall consist of at least a President and Secretary. The Board of Directors may also elect vice-presidents, a treasurer, and such other officers as the Board of Directors may, from time to time, deem appropriate. Any person may hold two (2) or more offices, except the same person cannot be both President and Secretary. The officers need not be Directors. If the office of any officer appointed by the Board of Directors becomes vacant for any reason, the vacancy shall be filled by the Board of Directors. Any officer elected or appointed by the Board of Directors shall be subject to removal with or without cause at any time by the affirmative vote of a majority of the Board of Directors. All officers, agents and employees, other than officers appointed by the Board of Directors, shall hold office at the discretion of the officer appointing them.

Section 5.2 Duties of the President. The President shall be the chief executive officer of the Corporation and shall preside at all meetings of the Board of Directors. The President shall have general and active management of the business of the Corporation and shall exercise general supervision and administration over all of the Corporation's affairs, with the power to make all contracts in the conduct of the regular and ordinary course of business of the Corporation, and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall execute any and all deeds, bonds, notes, guaranties, financing statements, mortgages, deeds of trust, security agreements and other contracts on behalf of the Corporation. The President shall be ex-officio a member of all standing committees and shall have the general powers and duties of supervision and management usually vested in the office of president of a corporation. The President may appoint and discharge an Executive Director of the Corporation and fix his or her compensation,

subject to the general supervisory power of the Board of Directors, and do and perform such other duties as from time to time may be assigned to said President by the Board of Directors and as may be authorized by law.

Section 5.3 Duties of the Vice President. The Vice President shall, in the President's absence, perform all of the President's duties and responsibilities.

Section 5.4 Duties of the Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors in one (1) or more books provided for that purpose and shall authenticate records of the Corporation. The Secretary shall attend to the giving and serving of all notices of the Corporation as required by said Secretary, shall attend to such correspondence as may be assigned to said Secretary, shall perform all other duties incidental to the office of Secretary, and shall perform such other duties as from time to time may be assigned to said Secretary by the President or by the Board of Directors.

Section 5.5 Duties of the Treasurer. The Treasurer shall have the care and custody of all of the funds and securities of the Corporation and deposit the same in the name of the Corporation in such bank or banks as the Directors may elect. The Treasurer shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors or by the President, taking proper vouchers for such disbursements, and shall render to the President and Directors, whenever they may require, an account of all said Treasurer's transaction as Treasurer and of the financial conditions of the Corporation, and at a regular meeting of the Board of Directors a like report for the preceding year. The Treasurer shall have the authority delegated to said Treasurer by the Board of Directors to sign checks, drafts, notes and orders for the payment of money.

Section 5.6 Discharge of Duties. An officer with discretionary authority shall discharge his or her duties under that authority in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner said officer reasonably believes to be in the best interest of the Corporation. In discharging his or her duties, an officer shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: (i) one (1) or more officers or employees of the Corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or (ii) legal counsel, public accountants or other persons as to matters the officer reasonably believes are within the person's professional or expert competence. However, an officer is not acting in good faith if said officer has knowledge concerning the matter in question that makes the reliance otherwise permitted by these Bylaws unwarranted. An officer shall not be liable for any action taken as an officer, or any failure to take any action, if said officer has performed the duties of the office in compliance with these Bylaws.

Section 5.7 Vacancies. If the office of any officer becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the Board of Directors may choose a successor to fill the vacancy who shall hold office until the next annual election or

until such officer's successor shall be duly elected and qualified.

ARTICLE VI COMMITTEES

Section 6.1 Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate and appoint one (1) or more committees, each of which shall consist of at least the Executive Director of the school, one (1) member of the Board of Directors, and designated members of the school community, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the Corporation, as so designated by the Board of Directors. However, no such committee shall have the authority of the Board of Directors in reference to amending, altering or repealing the Bylaws; electing, appointing or removing any member of any such committee or any Director or officer of the Corporation; amending the articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage or all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; adopting a plan for the distribution of the assets of the Corporation; or amending, altering or repealing any resolution of the Board of Directors. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or an individual Director, of any responsibility imposed on it or said individual by law. Committees shall at all times remain subject to the control and supervision of the Board of Directors.

Section 6.2 Other Committees. Other committees not having and exercising the authority of the Board of Directors in the management of the Corporation may be designated as by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be appointed by the President of the Corporation. Any members thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

Section 6.3 Term of Office. Each member of a committee shall continue as such until the next annual meeting of the Directors of the Corporation and until such committee member's successor is appointed, unless the committee is sooner terminated, or unless such member is removed from such committee, or unless such member ceases to qualify as a member thereof. One (1) member of each committee shall be appointed chair by the person or persons authorized to appoint the members thereof.

Section 6.4 Vacancies. Vacancies in the membership of any committee may be filled by appointment made in the same manner as provided in the case of the original appointments.

Section 6.5 Quorum. Unless otherwise provided in the resolution of the Board of

Directors designating a committee, a majority of the whole committee shall constitute a quorum, and the act of the majority of the members present at the meeting at which a quorum is present shall be the act of the committee.

Section 6.6 Rules. Each committee may adopt rules for its own government not inconsistent with the Charter, these Bylaws, or with rules adopted by the Board of Directors.

ARTICLE VII MISCELLANEOUS

Section 7.1 Notice.

- (a) Any notice required or permitted to be given shall be in writing, except that oral notice is effective if it is reasonable under the circumstances and not prohibited by the Act, the Charter, or these Bylaws. Oral notice is effective when communicated if communicated in a comprehensible manner.
- (b) Notice may be communicated in person; by telephone, telegraph, teletype or other form of wire or wireless communication; or by mail or private carrier. If these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published; or by radio, television or other form of public broadcast communication.
- (c) Written notice by the Corporation to a Director, if in a comprehensible form, is effective when mailed, if mailed first class, postpaid and correctly addressed to the Director's address shown in the Corporation's current record of Directors.
- (d) A written notice or report delivered as part of a newsletter, magazine or other publication regularly sent to Directors shall constitute a written notice or report if addressed or delivered to the Director's address shown in the Corporation's current record of Directors, or in the case of Directors who are residents of the same household and who have the same address in the Corporation's current record of Directors, if addressed or delivered to one (1) of such Directors, at the address appearing on the current list of Directors.
- (e) Written notice to a domestic or foreign corporation (authorized to transact business in this State) may be addressed to its registered agent at its registered office or to the Corporation or its Secretary at its principal office shown in its Charter or Application for a Certificate of Authority, as most recently amended.
- (f) Except as provided above, written notice, if in a comprehensible form, is effective at the earliest of the following: (i) when received; (ii) five (5) days after its deposit in

the United States mail, if mailed correctly addressed and with first class postage affixed thereon; (iii) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or (iv) twenty (20) days after its deposit in the United States mail, if mailed correctly addressed, and with other than first class, registered or certified postage affixed.

- (g) If the laws of the State of Tennessee prescribe notice requirements for particular circumstances, those requirements govern. If the Charter or any Bylaw prescribes additional notice requirements, not inconsistent with the laws of the State of Tennessee, those requirements govern.

Section 7.2. Indemnification of Directors and Officers. Subject to any limitations set forth in the Charter, the Corporation shall indemnify and advance expenses to each present and future Director or officer of the Corporation, or any person who may serve at its request as a Director or officer of another company (and, in either case, his or her heirs, estate, executors or administrators) to the full extent allowed by the laws of the State of Tennessee, both as now in effect and as hereafter adopted. The Corporation may indemnify and advance expenses to any employee or agent of the Corporation who is not a Director or officer (and his or her heirs, estate, executors or administrators) to the same extent as to a Director or officer, if the Board of Directors determines that it is in the best interests of the Corporation to do so. The Corporation shall also have the power to contract with any individual Director, officer, employee or agent for whatever additional indemnification the Board of Directors shall deem appropriate. The Corporation shall have the power to purchase and maintain insurance on behalf of an individual who is or was a Director, officer, employee or agent of the Corporation, or who, while a Director, officer, employee or agent of the Corporation, is or was serving at the request of the Corporation as a Director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, against liability asserted against or incurred by him or her in that capacity or arising from his or her status as a Director, officer, employee or agent, whether or not the Corporation would have the power to indemnify him or her against the same liability under these Bylaws.

Section 7.3 Records. The Corporation shall keep as permanent records minutes of all meetings of its Board of Directors; a record of all actions taken by the Board of Directors without a meeting; and a record of all actions taken by a committee of the Board of Directors in place of the Board of Directors on behalf of the Corporation. The Corporation shall maintain appropriate accounting records. The Corporation or its agent shall maintain a record of its Directors in a form that permits preparation of a list of the names and addresses of all Directors, in alphabetical order. The Corporation shall maintain its records in written form or in other form capable of conversion into written form within a reasonable time. The Corporation shall keep at its principal office a copy of its Charter or Restated Charter and all amendments thereto currently in effect; its Bylaws or Restated Bylaws and all amendments to them currently in effect; the minutes of all meetings of the Directors and records of all actions approved by the Directors for the past three (3) years; all written communications to Directors generally within the past three (3) years, including the financial

statements furnished for the last three (3) years under Section 48-66-201 of the Act; a list of the names and business and home addresses of its current Directors and officers; and its most recent annual report delivered to the Secretary of State. The Directors, or their agent or attorney, shall have the right to inspect all books and records for any proper purpose during regular business hours.

Section 7.4 Reports. The Corporation shall prepare annual financial statements that include a balance sheet as of the end of the fiscal year and an income statement for that year. If financial statements are prepared for the Corporation on the basis of generally accepted accounting principles, the annual financial statement must also be prepared on that basis. If the annual financial statements are reported upon by a public accountant, said public accountant's report must accompany them. If not, the statements must be accompanied by a statement of the President or the person responsible for the Corporation's accounting records stating such person's reasonable belief whether the statements were prepared on the basis of generally accepted accounting principles and, if not, describing the basis of preparation, and describing any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year.

Section 7.5 Seal. The Corporation shall have the power to have a corporate seal, which may be altered at will, and to use it, or a facsimile of it, by impressing or affixing it, or in any other manner reproducing it; provided, however, that the Corporation shall not be required to have a seal and the absence of such seal on any document shall not affect its validity.

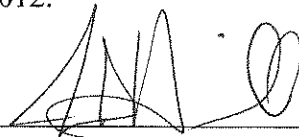
Section 7.6 Expenditures. Except as otherwise provided herein, the Corporation shall not lend funds to any person for personal use. Furthermore, the Corporation shall not assume any responsibility for any expenses or debts incurred by the Directors, officers, employees or volunteers which have not been previously approved by the Board of Directors.

Section 7.7 Amendment of Bylaws. The Bylaws may be amended by the Board of Directors of the Corporation. The Corporation shall provide notice of any meeting of Directors at which an amendment is to be approved at least ten (10) days prior to such meeting. The notice must also state that the purpose, or one of the purposes, of the meeting is to consider a proposed amendment to the Bylaws and contain or be accompanied by a copy or summary of the amendment or state the general nature of the amendment. The amendment must be endorsed by at least two (2) members of the Board of Directors and must be approved by two-thirds (2/3rds) of all members of the Board of Directors in office at the time the amendment is adopted.

Section 7.8 Dissolution and Liquidation of the Corporation. The Corporation may be dissolved only by a three-fourths (3/4ths) vote of the Directors present and voting at a duly called meeting of the Board of Directors. In the event the Corporation is dissolved, the residual assets of the Corporation shall be distributed to one (1) or more organizations, which themselves are organizations described in Sections 501(c)(3) and 170(c)(2) of the Code, or any corresponding section of any future federal tax code, or to the federal, state or local government (or to any political subdivision thereof) for exclusively public purposes as the Board of Directors shall determine in accordance with Section 48-64-101, *et seq.* of the Act.

Section 7.9 Conflict of Interest. Any directors, officers or key employee who has an interest in a contract or other transaction presented to the Board of Directors or a committee thereof for authorization, approval or ratification shall make a prompt and full disclosure of his or her interest to the Board of Directors or committee prior to its acting on such contract or transaction. Such disclosure shall include any relevant and material facts known to such person about the contract or transaction which might be reasonably construed to be adverse to the Corporation's interest. The Board of Directors shall then determine, by a vote of not less than seventy-five percent (75%) of the votes entitled to vote thereon, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use his or her personal influence on, nor participate in (other than to present factual information or to respond to questions) the discussions or deliberations with respect to such contract or transaction. Such person may be counted in determining whether a quorum is present, but may not be counted when the Board of Directors or a committee of the Board of Directors takes action on the transaction. The minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable, the abstention from voting and participation, and whether a quorum was present.

DATED this 29th day of MARCH, 2012.


_____, President and Chairman
of the Board of Directors

Capstone Education Group, Inc. Code of Ethics

Article I

The purpose of the code of ethics policy is to protect the interest of Capstone Education Group, Inc., a Tennessee not-for-profit corporation which qualifies as a tax-exempt entity (the "Organization") when it is discussing a voting or non-voting matter that might benefit the private interest of an officer or director of the Organization. This policy is intended to supplement but not replace any applicable state and federal laws applicable to nonprofit and charitable organizations.

Article II Definitions

1. **Interested Person** Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect personal interest, as defined below, is an interested person.

2. **Personal Interest** A person has a personal interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

Article III Procedures

1. Disclosure of Personal Interest in Voting Matters. An official or employee at the school with the responsibility to vote on a measure shall disclose during the meeting at which the vote takes place, before the vote and to be included in the minutes, any personal interest that affects or that would lead a reasonable person to infer that it affects the official's or employee's vote on the measure. In addition, the official or employee may, to the extent allowed by law, recuse himself or herself from voting on the measure.

2. Disclosure of Personal Interest in Non-Voting Matters. An official or employee at the school who must exercise discretion relative to any matter other than casting a vote, and who has a personal interest in the matter that affects or that would lead a reasonable person to infer that it affects the exercise of the discretion shall disclose the interest, before the exercise of the discretion when possible. In addition, the official or employee may, to the extent allowed by law, recuse himself or herself from the exercise of discretion in the matter.

3. Acceptance of Gifts and Other Things of Value. An official or employee at the school, or a school official's or employee's spouse or child living in the same household, may not accept from anyone other than the State Board or its authorized charter schools, directly or indirectly, any gift, money, gratuity, or other consideration or favor of any kind that a reasonable person would understand was intended to influence the vote, official action or judgment of the official or employee in executing decision-making authority affecting the authorized charter schools. It shall not be considered a violation of this policy for an official or employee to receive entertainment, food, refreshments, meals, health screenings, amenities, foodstuffs, or beverages

that are provided in connection with a conference sponsored by an established or recognized statewide association of school officials or by an umbrella or affiliate organization of such statewide association of school officials.

4. **Misuse of Public Position.** No public official or employee shall corruptly use or attempt to use his or her official position or any property or resource that may be within his or her trust, or perform his or her official duties, to secure a special privilege, benefit or exemption for himself, herself or others.

5. **Use of Government Property.** No public official or employee shall make use of the facilities, equipment, personnel, or supplies of the State Board or its authorized charter schools for private use or gain except to the extent that the use is incidental or minimal or is lawfully available to the general public.

6. **Exceptions to Policy.** The Executive Director may make exceptions to this policy when it is determined to be in the best interest of the school and provided that: (1) The exception does not violate any statutory or regulatory constraints under which the school must operate; (2) The request for exception is made in writing and approved prior to taking the action(s) in question; and (3) The exception is granted in writing and for a specific instance or occurrence. Nothing in this policy should be considered to prohibit a teacher or employee from accepting a gift made in the aggregate from a student group, parent group, or community group or organization in recognition of services rendered to the group, organization or the community in general.

2. **Determining Whether a Conflict of Interest Exists** After disclosure of the personal interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. **Procedures for Addressing the Conflict of Interest**

a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. **Violations of the Code of Ethics Policy**

a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have a personal interest in connection with an actual or possible conflict of interest, the nature of the personal interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V Compensation

a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

a. Has received a copy of the code of ethics policy,

b. Has read and understands the policy,

c. Has agreed to comply with the policy, and

d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Adopted as of the ____ day of ___, 2017.

Capstone Education Group, Inc.

By: _____
Title: _____

Annual Certification of Officers and Directors

Each of the undersigned, being a director, principal officer and member of a committee with governing board delegated powers of Capstone Education Group, Inc., hereby certifies that the undersigned:

- a. Has received a copy of Capstone Education Group, Inc. Code of Ethics Policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Dated this 30th day of May, 2017.

Capstone Education Group, Inc. Conflict of Interest Policy

Article I Purpose

The purpose of the conflict of interest policy is to protect the interest of Capstone Education Group, Inc., a Tennessee not-for-profit corporation which qualifies as a tax-exempt entity (the "Organization") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II Definitions

1. **Interested Person** Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. **Financial Interest** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III Procedures

1. **Duty to Disclose** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. **Determining Whether a Conflict of Interest Exists** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. **Procedures for Addressing the Conflict of Interest**

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting

during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV

Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V

Compensation

a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI
Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII
Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Adopted as of the 30th day of May, 2017.

Capstone Education Group, Inc.

By: _____

Title: _____

Annual Certification of Officers and Directors

Each of the undersigned, being a director, principal officer and member of a committee with governing board delegated powers of Capstone Education Group, Inc., hereby certifies that the undersigned:

- a. Has received a copy of Capstone Education Group, Inc. Conflicts of Interest Policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Dated this 30th day of May, 2017.

Attachment F6

PAUL F. T. EDWARDS
 1715 AARON BRENNER DRIVE
 MEMPHIS, TN 38120
 (901) 521-4576

EMPLOYMENT: 1986-Present - Evans Petree PC

Shareholder in 50-member law firm located in Memphis, TN.

Primary practice areas include the sale and purchase of businesses, commercial real estate, development of residential and commercial developments in Memphis and surrounding areas. Active in negotiating office, warehouse and retail leases for both landlords and tenants. Also active in the negotiation and closing of real estate and commercial loans for borrowers and for several banks and insurance companies, including First Tennessee Bank and SunTrust Bank. Also represent several family and small businesses in their corporate and general legal work and advise in the structuring and creation of new businesses, the sale and purchase of existing businesses and succession planning

EDUCATION: Vanderbilt University (J.D. 1986)

- Recipient of American Jurisprudence Award
- Mid-South Scholarship

University of Mississippi (B.A. 1983)

- Summa Cum Laude
- Omicron Delta Kappa

BOARDS:

Board Member of Christ United Methodist Church
 Board Member of Capstone Education Group
 Retired Board Member of Evans Petree PC
 Board Member of Emmaus and Chrysalis Communities, providing training and retreats for adult and youth church leaders
 Board Member of Memphis University School Alumni Board
 Board Member of Memphis University School Parents Board
 Pro Bono Counsel to several local community service organizations

PERSONAL: Married to Jennifer Edwards and father to five children

REFERENCES:

Stephen Dunavant
 Managing Director
 CBIZ & Mayer Hoffman McCann
 5100 Poplar Avenue, 30th Floor
 Memphis, TN 38137
 (901) 685-5575

Lee J. Powell, Jr.
 Managing Director
 Raymond James Associates
 50 N. Front Street, Ste 1700
 Memphis, TN 38103
 (901) 529-3774

William L. Lamar
 900 Jefferson Avenue
 Oxford, MS 38655
 (662) 234-3351

Octavius Nickson

3152 Allison Ave. Memphis, TN 38112— 901/297/8406 — octavius@nicksongeneral.com

Current Job Titles

- Founder of Nickson General Contractors, Inc.
- Nickson General Contractors President
- Project Manager and Lead Estimator for NGC
- President of Nickson Properties, Inc.

Education

- Graduated from FCA - 2006
- Attended Meridian Community College/ East Mississippi Community College and the – 2006-2008
- Binghampton Development Construction Training Program-2009
- Associated Builders & Contractors-20010-2011

Work History

- Service Over Self 2003-06 (Summer Runner)
 - Material Handler for Residential construction
- Wagner General Contractors, Inc. Job Superintendent 2009-2015
 - Director of construction job training
 - Holistic Life Coach
 - Director of job placement
- Owner of Nickson General Contractors 2015-Present
 - Senior project manager for custom residential and commercial construction
 - Senior estimator for custom residential and commercial construction

Additional Community Development Training and Experience

- Board Member for Capstone Education Group 2003-06
www.comerstoneprepmemphis.org

References

Chris Hendrix- 901-626-7359

John Chipley- 901-753-4744

Octavius Nickson ~ Octavius@nicksongeneral.com ~ 901-297-8406 ~ 3152 Allison Avenue, Memphis, TN 38112



Jay D. Harvill; CRM, CIC, AAI, CWCA

6218 Malloch Drive; Memphis, Tennessee; 38119
(901)761-1878
jayh@lpinsurance.com

Summary of Qualifications: Risk Management and Insurance specialist with expertise in strategic identification of risk, evaluation of solutions and implementation of program design. Key developer of people and infrastructure with a focus on sales and leadership development as well as critical thinking skills and team building.

History:

Lipscomb & Pitts Insurance, LLC
Senior Vice President & Member of the LLC

2003-Present

Responsible for client identification and development as well as member of the Executive Committee charged with leading the direction of the organization.

- Manage one of the largest client contact books in our organization with an extremely high retention and development of new business year after year.
- Have designed and implemented client safety and risk management programs that have effectively reduced the total cost of risk for clients by double digit margins.
- Responsible for development of new sales talent within the organization utilizing performance management, coaching and training programs.
- Key member of 6 person Executive Committee charged with shaping and implementing the direction of the company.
- During tenure at the organization has played a crucial role in expanding size of company over 3 fold.

Certifications:

Certified Risk Manager
Certified Insurance Counselor
Accredited Advisor in Insurance
Certified Workers Compensation Advisor

Education:

University of Memphis: B.A. majoring in Political Science and International Relations (focus on Latin American studies)

References:

Johnny Pitts 901-321-1000
Mark Forrester 904-679-1553

Elliot Lemont Perry

• Phone: 901-818-5182 • Fax: 901-260-0882 • E-Mail: esperry@poplarfdn.org

Education

The University of Memphis, Memphis, TN 1987-1991

Bachelor of Arts in Marketing

- Varsity Basketball Team
- 1st Team All-Metro Conference, Runner-Up for Metro Player of the Year, Sport Magazine's Freshman Point Guard of the Year, All-Metro Conference Tournament Selection

Work Experience

The Poplar Foundation 2005-Current

- Community Advisor

National Basketball Association 2004-2005

- Player Representative for Memphis Grizzlies, Phoenix Suns, Denver Nuggets, Washington Wizards, and Charlotte Hornets

National Basketball Association 1991-2002

- Tenth Round Draft Pick of the Second Round by the Los Angeles Lakers
- Played 547 games and averaged 6.3 points and 3.1 assists per game as a point guard playing with Los Angeles Clippers, Charlotte Hornets, Phoenix Suns, Milwaukee Bucks, New Jersey Nets, Orlando Magic, Memphis Grizzlies.
- Runner-up for the NBA's Most Improved Player
- Appeared in 17 career NBA Playoff Games, averaging 4.6 points per game

Continental Basketball Association 1993-1994

- Played 82 career games, averaging 12.8 points per game

Community

2005-Current

- Board Member of the Memphis Grizzlies Charitable Foundation, which provides mentorship opportunities for Memphis youth
- Memphis Grizzlies Ownership Team
- Board Member of Teach For America Memphis
- Commentator for the Grizzlies radio broadcasting team
- Mentor for the Boys and Girls Club

References

Glenda Yarbrough, Glenda@poplarfdn.org

Eric Givens, egivensclothiers@yahoo.com

JASON COOK

MINISTRY GOAL

God has called me to faithfully shepherd his children in the context of the local church. It is there that a true disciple of Jesus will grow in holiness, righteousness, faithfulness, and affection for God through faithful biblical witness in preaching, discipleship, and leadership.

PERSONAL

Courtney and I were married January 19, 2013. Formerly of Lake Wales, FL she is a godly wife and mother. Our daughter, Charlie, was born March 3, 2014. Our son, Cager, was born December 6, 2015.

MINISTRY EXPERIENCE

ASSOCIATE PASTOR OF PREACHING, FELLOWSHIP MEMPHIS, MEMPHIS, TN – APRIL 2016-PRESENT

I am on a teaching team with 2 other men who faithfully preach each week at 4 campuses across the Memphis metro area to 1500 in weekly attendance. My responsibilities include organizing the preaching calendar, creating sermon series, and working closely with the teaching team to develop a unified message each week.

EDITOR, THE GOSPEL COALITION, MEMPHIS, TN – APRIL 2016-PRESENT

As an editor I am tasked with producing excellent content that will support the church through the online medium. In addition to the online work, I recruited and developed a national cohort of pastors to expand the faith, work, and economic conversation into minority communities. Through this time I've worked closely with Phillip Bethancourt and Dr. Russell Moore to plan and execute MLK50, a conference set to reflect on the life, ministry, and global contributions of the late Dr. Martin Luther King, Jr.

CAMPUS PASTOR, VALLEYDALE CHURCH – JANUARY 2014-APRIL 2016

For nearly two years I helped plan, develop, staff, and launch Valleydale Church's Missional multi-site, Iron City Church, in downtown Birmingham. The Missional multi-site is a multi-site/church plant hybrid with a specific multi-ethnic focus. As the Campus Pastor, I was responsible for preaching, supervision of staff, congregational care, coordinating missions partners, developing small group culture, and training leaders. Here I was responsible for overseeing a budget of \$220,000. While at Iron City, I maintained executive

responsibilities at Valleydale. I participated in congregational care, preaching, and helped to move Valleydale to think more cross-culturally.

FELLOWSHIP OF CHRISTIAN ATHLETES, OXFORD, MS SEPTEMBER 2009-AUGUST 2011

I oversaw and worked with over 100 athletes and coaches daily. I interacted with athletes and coaches regardless of spiritual awareness, socio-economic status and skill level. I coordinated our weekly huddles while co-laboring with 3 staff persons and two interns. I personally helped develop 17 student leaders teaching them inductive bible study methods, writing bible studies, and developing chapel talks. I was integrally involved in fund-raising for my ministry and worked with donors in every strata of income. While at I also traveled throughout the state as a highly sought after speaker.

BIBLE COMMUNICATOR, JASON COOK MINISTRIES – JANUARY 2007-PRESENT
For the last 10 years I have traveled the country sharing the gospel of Jesus Christ with youth groups, churches, camps, conferences, and seminars. As a communicator in diverse settings, I am well adapted to communicate effectively to a wide array of audiences and congregations

EDUCATION

BEESON DIVINITY SCHOOL, BIRMINGHAM, AL – M.DIV 2014
THE UNIVERSITY OF MISSISSIPPI, OXFORD, MS – B.A. AFRICAN AMERICAN STUDIES 2009
THE UNIVERSITY OF MISSISSIPPI, OXFORD, MS – B.A. ENGLISH 2008

SKILLS

Ordained minister through Grace Bible Church of Oxford in November of 2010.

A true pastor/preacher.

Proficient in multi-site strategy, development, and implementation.

Building and maintaining healthy teams.

REFERENCES

- Dr. Robert Smith, Jr. • Charles T. Carter Baptist Chair of Preaching, Beeson Divinity School, Birmingham, AL. (205) 726-2231
- Phillip Bethancourt - Vice President, Ethics and Religious Liberties Commission, Nashville, TN. (615) 244-2495
- John Bryson. Lead Pastor, Fellowship Memphis, Memphis, TN. (901) 230-4128
- Roger Davis. President, YM360, Birmingham, AL. (205) 965-8262

Camela Echols-Blackmon

3379 Northmoor Avenue, Memphis, TN 38128
901-729-2931 (w) 901-230-2315(c) www.camelablackmon@gmail.com

An accomplished professional with over fifteen years experience in nonprofit work and over ten years of experience in nonprofit management. Strategic, compassionate leader with proven ability to create new organizations, spearhead change, and conceptualize and execute innovative, sustainable initiatives. Familiar with all aspects of non-profit management, including: budgeting, fundraising, board development, human resources issues, strategic planning, and numerous administrative functions.

Core Professional Strengths

Community Outreach/Service
Social Services Competency
Cultural Diversity and Aptitude

Program Development
Staff Training and Development
Conflict and Dispute Resolution

Volunteer Recruitment
Team Building
Family Intervention

Professional Experience

Refugee Empowerment Program

Executive Director, 2007 – Present

Directs daily operations managing a staff of four and a program base of over three hundred fifty participants. Responsibilities include: budgeting; fundraising; human resources; and policies and procedures.

- Co-founded Refugee Empowerment Program
- Developed and manages a Board of Directors
- Guides strategic planning for the organization and its programs
- Maintains compliance in funding requirements, HIPPA, OSHA, and HERPA
- Recruits and manages a volunteer base of over two hundred individuals

United Methodist Neighborhood Centers

Director of Community Relations and Programs, 2002 – 2007

Directed daily operations managing five social service sites and fifteen employees. Responsibilities included: assessing community assets and needs; developing community-based programs; networking with other agencies; and implementing best practices.

- Served as interim Executive Director simultaneous to aforementioned duties; 2005 – 2006

Site Director, Jane Hyde Scott Center, 2000 – 2002

Directed daily operations of a social service site. Responsibilities included: managing a staff of three, coordinating food and clothing donations; allocating cash assistance; and facilitating youth summer program.

Administrative Assistant, 1997 – 2000

Responsibilities included: maintaining Executive Director's calendar; receiving visitors and guests; ensuring completion of all relevant clerical work; and overseeing organization's telephone and mail communication.

References

Cassandra Salley csalley@cornerstoneprepmemphis.org
Noah Gray Noah noah@bdcmemphis.org

SCOTT WALKER

2210 Coathbridge Dr, Germantown TN 38139 | swwalker@ftb.com

EXPERIENCE

- 1988-1997 VP, *Leader Federal Bank*
- Manager in Retail Banking Group and Small Business Banking Group
- 1997-2005 Owner/Partner, *Ascent Outdoors*
- Managed all aspects running a small outdoor retail business.
- 2004 - Present · SVP, First Tennessee Bank
- Business Development Manager
 - Manage a team of 21 people in the Business Development Group of Mortgage Warehouse Lending.

EDUCATION

- 1983-1988 BA in Business Finance, Memphis, TN, *University of Memphis*

LEADERSHIP AND SERVICE

- Board Member – Capstone Education Group since 2017.
- Mentor Eikon Ministries.
- Team leader Service Over Self Ministries.

References:

- Robert Garrett, EVP First Tennessee Bank, ragarrett@ftb.com (901) 759-7755
- Adam Webster, Manager of Operations Ducks Unlimited awebster@ducks.org (901) 634-4588
- Mike Zachry, Wells Fargo Advisors, (901) 761-6337
- Scott Lees, Executive Pastor Christ United Methodist Church (901) 598-7281

Thomas Marino
135 South Rose Road, Memphis, Tennessee 38117
(901) 818-5195, tmarino@poplarfdn.org

Career History

The Poplar Foundation, 2005 – Present

Executive Director

Memphis, Tennessee

- Provides oversight and direction to a private foundation whose core mission is to positively impact K-12 education for low-income students in Memphis.

Christ United Methodist Church, 1986-2005

Director of Missions, 2000 – 2005

Director of Service Over Self, 1995 – 2000

Director of Youth, 1986 – 1995

Memphis, Tennessee

Ernst & Whinney, 1982 – 1986

Auditor, Certified Public Accountant

Memphis, Tennessee

Education

Memphis Theological Seminary

Memphis, Tennessee

Master of Divinity, 1994

Mississippi State University

Starkville, Mississippi

Bachelor of Professional Accountancy, 1982

References

Robert Montague, Founder and Executive Director, Tech901 901-229-1774

Maxie Dunnam, Pastor Emeritus, Christ United Methodist Church 901-683-3521

NeShante Brown, Executive Director, The Soulsville Charter School (901) 261-6366



Attachment F7

Internal Control Policies and Procedures Summary

Capstone Education Group

Capstone Education Group (CEG) seeks to ensure that the organization documents and follows systems of internal control that at a minimum follow the *Tennessee Code Annotated, 9-18-102(a)* expectations. Specifically, CEG seeks to establish and maintain internal controls which shall provide reasonable assurance that:

- (1) Obligations and costs are in compliance with applicable law;
- (2) Funds, property and other assets are safeguarded against waste, loss, unauthorized use or misappropriation; and
- (3) Revenues and expenditures applicable to agency operations are properly recorded and accounted for to permit the preparation of accurate and reliable financial and statistical reports and to maintain accountability over the assets.

CEG also seeks to document compliance with the requirements set forth above. CEG seeks to provide regular and reasonable assurance of the following:

- (1) Accountability for meeting program objectives;
- (2) Promoting operational efficiency and effectiveness;
- (3) Improving reliability of financial statements;
- (4) Strengthening compliance with laws, regulations, rules, and contracts and grant agreements;
- (5) Reducing the risk of financial or other asset losses due to fraud, waste and abuse.

The following information is designed to provide a summary of the CEG policies that include how each system of internal control includes the five components of internal control:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring

Control Environment

Objective	Policy or Documents	Process or activity	Purpose
Ensure that stakeholders know financial decisions benefit students and not individuals	Conflict of interest policy, financial policies	Board members sign conflict of interest annually, staff members sign personnel policy annually which includes conflict of interest expectations	Compliance
Staff know and follow legal and organizational expectations around reporting, conduct, etc.	Personnel policy	Every employee signs the handbook annually, every summer CEG leaders review key expectations with staff	Compliance and operations
Consistent oversight of financial condition	Regular board meetings	The board reviews all financial statements at each meeting. The board reviews audit annually which includes review of financial policies. CEG pays a certified accounting firm to process accounts payable, payroll and a month end closing	Compliance and operations
Clarity to all stakeholders on staffing decisions, purchasing and financial transactions	Financial policies, board approved budget, organizational chart, personnel policies	The board approves an annual budget that includes positions and salaries and benefits, expected spending levels	Operations and reporting
Hire vendors and contractors who support organizational policies	Employee handbook	Contract workers are required to follow all personnel policies, vendors are evaluated in part on their compliance with law and CEG expectations	Operations
Clean audit that meets all reporting requirements	Annual audit	CEG employs reputable firm to conduct annual audit, board reviews audit	Compliance

Risk Assessment

Objective	Policy or Documents	Process or activity	Purpose
Organizational protection against fraud	Certificates of insurance	Annual review and evaluation of insurance policies and companies	Operations
Ensure all earned revenue are received properly	Financial policies, grant management policy, cash management policy	All revenue is received by multiple people, coded to the appropriate account and reconciled monthly to expected revenue	Compliance and operations
Ensure funds spent in accordance with any grants or other restrictions	Financial policies	All grants have approved budget line items that are reconciled monthly. ASD and auditors review all expenditures	Compliance and operations
Reduce the risk of fraud	Financial policies	All invoices require multiple signatures, outside accounting firm processes all payments, credit cards are limited to key	Compliance and operations

		personnel and reviewed by a second person	
--	--	---	--

Control Activities

Objective	Policy or Documents	Process or activity	Purpose
Reduce risk by segregating duties	Financial policies, CWB accounting process	All receipts and invoices require multiple signature, third party accounting firm requires appropriate approval before paying invoices and processing payroll	Operations
Protect and maintain accurate records	Financial policies, document destruction policy	Third party accounting firm maintains invoices and payroll records, schools limit access to secure records on campus, supporting documents required for all transactions	Compliance and operations
Proper approval required for purchases	Financial policies	All invoices approved and reviewed by multiple people, accounting firm requires proper approval before processing invoices, check register and GL reviewed by Exec Dir each month, bank reconciliations prepared by accounting firm	Compliance and operations
All Cash balances and transactions are legitimate	Financial policies	Exec Dir reviews all spending each month, accounting firm creates bank reconciliation, data analyst reviews all invoices, accounting firm only pays invoices with proper approval	Compliance and operations
All payroll activity is accurate and legitimate	Payroll policies, personnel handbook, financial policies	All employees approved by both the Human Resource specialist and Exec Dir, all employees entered by accounting firm into payroll, Human Resource specialist and Exec Dir review all draft payroll	Compliance and operations
Ensure all financial policies are adequate and followed	Financial policies	Annual review of policies by the Exec Dir, Data Analyst, board and auditors	Compliance and operations

Information and Communication

Objective	Policy or Documents	Process or activity	Purpose
Ensure financial reports have high degree of accuracy, reliability and quality	Financial policies, month end reports, audit	Monthly financial statements are prepared by certified accounting firm, reviewed by the Exec Dir. and the board	Reporting

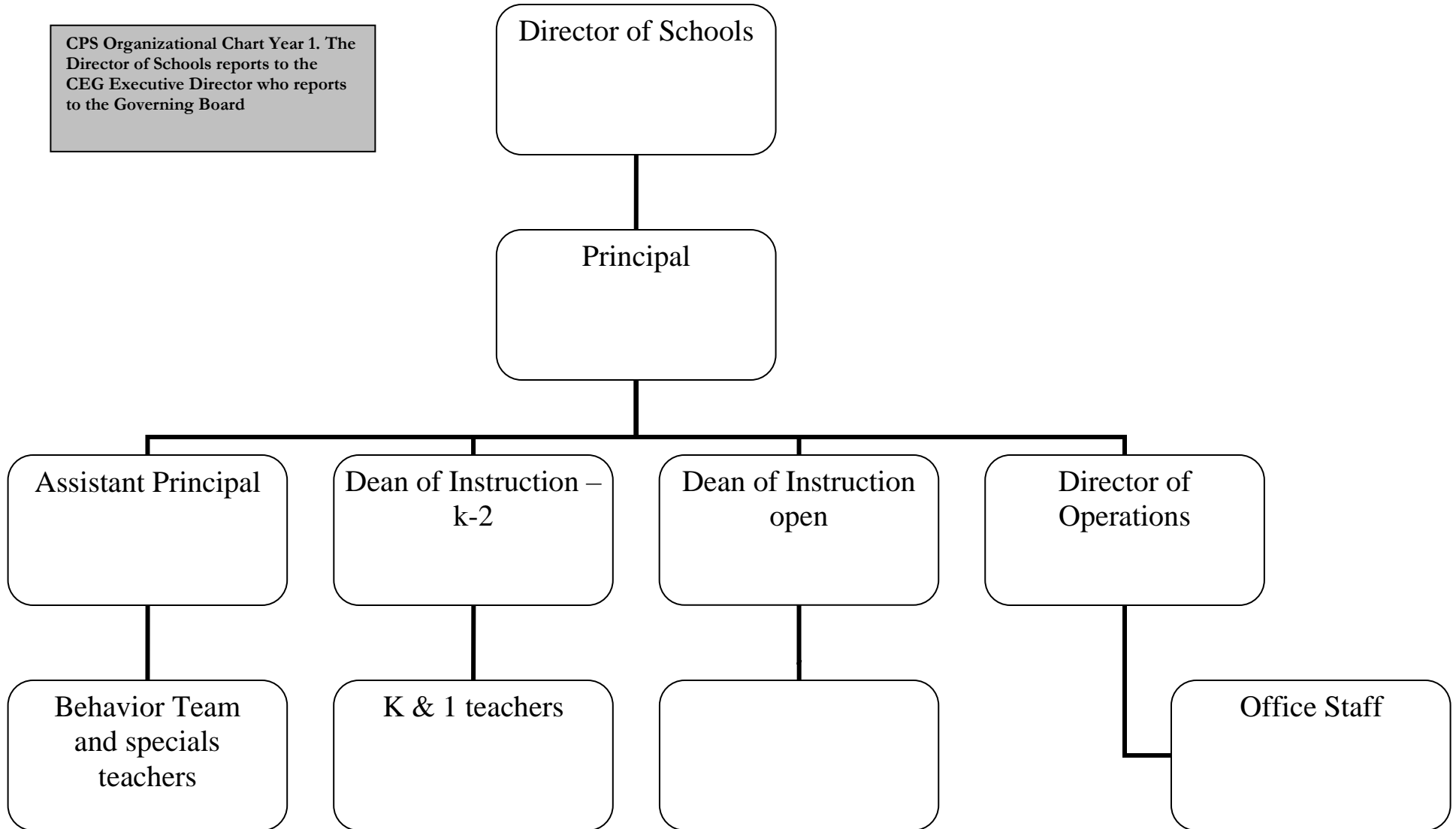
Provide transparency of financial reporting	Audit, W-9	All audits and W-9 are available for public viewing and emailed to grant organizations and the ASD	Reporting
Provide access to public information and follow public reporting requirements	Public school laws	All board meeting dates are posted and open to the public, all minutes are posted on the website, all open meeting laws are followed	Compliance and reporting

Monitoring

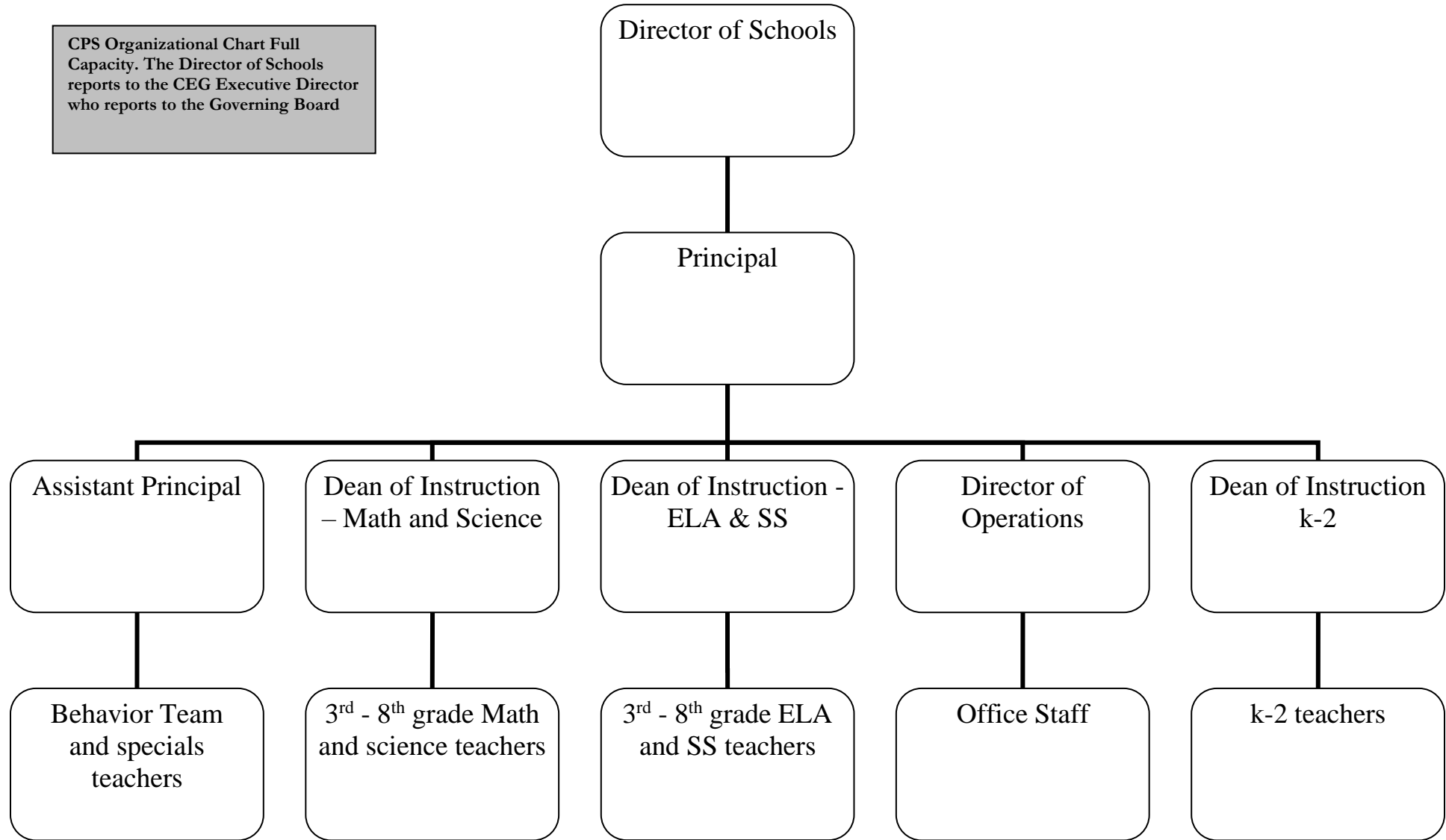
Objective	Policy or Documents	Process or activity	Purpose
Ensure that all processes and policies being followed with fidelity	Financial policies, employee handbook	Exec Dir reviews all spending and personnel policies, accounting firm partner required to sign for large checks, auditors review policies and grant spending, board review financial statements and other data	Monitoring
Ensure financial statements reported in accepted format	Financial policies, grant documents	Grant agencies review financial audit, ASD required clean audit, board reviews financial statements and audit, certified public accounting firms prepares statements	Monitoring
Ensure grant funds spent according to grant specifications	Grant reporting systems, financial policies	Regular reports are provided to the ASD and other grant making organizations, year-end reporting are audited and reconciled	Monitoring

Attachment G

CPS Organizational Chart Year 1. The Director of Schools reports to the CEG Executive Director who reports to the Governing Board



CPS Organizational Chart Full Capacity. The Director of Schools reports to the CEG Executive Director who reports to the Governing Board



Attachment H

The school leader has not been identified at this time.

Capstone Education Group Employee Handbook



Capstone Education Group equips all students with the Wisdom and Knowledge necessary to succeed in college and to become leaders in their community.

Revised December 2019

ABOUT THIS EMPLOYEE HANDBOOK

For the benefit of all employees, we would like to acquaint you with the policies governing employment with Capstone Education Group (“CEG” or “the School”). The School’s Employee Handbook (“Handbook”) explains the School’s basic employment policies and has been prepared to provide an overview of the School’s policies, practices and benefits. Understanding the School and how it works is an important step helping our employees have a successful career at CEG.

The Handbook provides only general guidance because personnel policies and benefits, by their nature, are constantly under review as they are affected by changes in applicable law, policies, regulations, economic conditions and the way the School operates. Further, different policies and benefits may apply to different groups of employees. Occasionally, it may become necessary to modify, change, update, revoke, replace or even terminate the policies outlined in the Handbook. Therefore, the School reserves the right to make changes at any time at its discretion. Generally, you will be informed about any changes, but changes can also be made without notice. It is the employee’s responsibility to be knowledgeable of and adhere to all current CEG policies and procedures.

*The policies set forth in this Handbook are for information only and are intended to promote, maintain and continue CEG’s tradition of providing a positive work environment. **This Handbook is not a contract, and it is not intended to alter the at-will status of any employee. No supervisor, manager or representative of the School has the authority to make any contrary assurance or agreement whether oral or in writing.***

Please take the time to read, understand, and comply with this Handbook, and if you have any questions, please contact the Executive Director. We wish you the greatest success in your position, hope your employment with the School is a rewarding experience and that you find CEG to be a joyful, professional organization.

TABLE OF CONTENTS

I.	GOVERNING EMPLOYMENT POLICIES OF CEG.....	5
II.	EMPLOYMENT POLICIES.....	5
	A. Equal Employment Opportunity	5
	1. Complaint Procedures	6
	2. No Retaliation	6
	3. Violations of this Policy.....	6
	4. Administration of this Policy.....	6
	B. Harassment.....	6
	1. Introduction	6
	2. Sexual Harassment	6
	3. Other Types of Harassment	7
	4. Complaints of Harassment.....	8
	D. Work Day Schedules, Attendance, and Notification.....	8
	F. Paycheck Policies.....	8
	G. Business Travel.....	9
	H. Performance Review and Evaluation.....	9
	I. Anti-Nepotism Policy.....	9
III.	EMPLOYEE CONDUCT.....	10
	A. Discharge and Other Discipline.....	10
	B. Termination of Employment.....	11
	1. Termination.....	11
	2. Resignation.....	11
	3. Completion of work.....	11
	C. Return of Property	12
	D. Smoking Policy.....	12
	E. Drug-Free Workplace Policy	13
	F. Electronic Mail, Communications and Information Systems Policy.....	14
	1. Electronic Mail (“e-mail”)	15
	2. Internet Use.....	15
	3. Social Networking Sites.....	15
	4. Disciplinary Action.....	15
	G. Computer Software.....	16
	H. Confidentiality of School Information	16
	I. Conflicts of Interest.....	16
	J. Dress Code.....	17
	K. Policy on Background Checks.....	18
	L. Physical Contact Between Employees and Students at School and During School Sponsored Functions.....	18
	1. Introduction.....	18
	2. General Principles.....	18
	3. Staff Conduct with Students.....	18
	4. Summary.....	19
	M. Student Discrimination, Harassment, Bullying, Cyberbullying, and	

Intimidation.....	19
1. General.....	19
2. Definitions.....	19
3. Reporting Complaints.....	19
4. Investigations.....	20
5. Consequences.....	20
6. Retaliation.....	20
7. Training.....	20
N. Restraint Policy.....	20
O. Mandated Reporter.....	21
1. General.....	21
2. How to Report.....	21
3. Criminal Penalties for Failure to Report.....	21
IV. TIME OFF.....	
A. School Holidays and Vacations.....	21
B. Sick Days, Vacation Days and Personal Days.....	22
1. General Provisions.....	22
2. Vacation.....	22
3. Sick Days.....	22
4. Personal Days.....	23
C. Leaves of Absence.....	23
1. Family and Medical Leave Act.....	23
a. Eligibility.....	23
b. Leave Policy.....	23
c. Leave Entitlement.....	24
d. Both Spouses Employed by CEG.....	24
e. Notice of Leave.....	24
f. Certification of Need for Leave.....	24
g. Reporting while on Leave.....	24
h. Leave Is Unpaid.....	25
i. Medical and Other Benefits.....	25
j. Intermittent and Reduced Leave.....	26
k. Returning from Leave.....	26
l. State or Local Family and Medical Leave Laws and Other Company Policies.....	26
2. Military Leave.....	26
3. Jury Duty.....	26
4. General Provisions.....	26
V. EMPLOYEE BENEFITS AND STATUS.....	26
A. General.....	26
B. Employee Status.....	26
C. Workers Compensation.....	27
ACKNOWLEDGMENT OF RECEIPT OF EMPLOYEE HANDBOOK.....	28

I. GOVERNING EMPLOYMENT POLICIES OF CEG:

Decisions relating to staffing, including staff selection, hiring, management, evaluation, and termination, are generally made within the sole discretion of the School. Questions, concerns or disputes should be taken first to the immediate Supervisor. Concerns that are unresolved by the Employee's direct Supervisor may then be taken to the Executive Director. Employees who report directly to the Executive Director should discuss concerns with the Executive Director first, and if the issue is still unresolved, may take concerns to the Governing Board chairperson.

II. EMPLOYMENT POLICIES

A. Equal Employment Opportunity

CEG is an equal opportunity employer and complies with all applicable federal, state, and local fair employment practices laws. CEG strictly prohibits and does not tolerate discrimination against employees, applicants, or any other covered persons because of race, color, religion, creed, national origin or ancestry, ethnicity, sex (including pregnancy), gender (including gender nonconformity and status as a transgender individual), age, physical or mental disability, citizenship, past, current, or prospective service in the uniformed services, genetic information, or any other characteristic protected under applicable federal, state, or local law. All CEG employees, other workers, and representatives are prohibited from engaging in unlawful discrimination. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, training, promotion, discipline, compensation, benefits, and termination of employment.

Non-Discrimination Statement: CEG's mission statement reflects our value of empowering students of all backgrounds to achieve their full potential. The adult community of CEG will model the best practices and professional behavior of a diverse team. It is also CEG's policy to provide education and any other services to its students, faculty, volunteers or any other interested party without regard to race, color, sexual orientation, age, national origin, disability, gender and/or ability to pay.

Specifically, no person within CEG shall intentionally commit any of the following acts:

- Discriminate in the recruitment, hiring, training, compensation, benefits, promotion, transfer termination, lay-off, reduction in workforce, or any other terms or conditions of employment;
- Make any comments and/or display or distribute any materials that constitute unlawful harassment based on an individual's membership in a legally protected class; or
- Deny a person any service, other program benefits, or financial aid based on the individual's legally-protected classification.

Any CEG employee who has become aware of violations of this provision has the affirmative obligation to report the conduct to their immediate supervisor, or if the supervisor is engrossed in the conduct, to another member of the management team.

CEG complies with the Americans with Disabilities Act (ADA), as amended by the ADA Amendments Act, and all applicable state or local law. Consistent with those requirements, the School will make reasonable accommodations to enable a qualified individual with a disability to perform the essential functions of his or her job, unless doing so would create an undue hardship. If you believe you need an accommodation, please contact the Human Resource Specialist to make a request and discuss the type and nature of any accommodation which would enable you to perform the essential functions of your job. CEG will also, where appropriate, provide reasonable accommodations for an employee's religious beliefs or practices.

1. Complaint Procedure

If you are subjected to any conduct that you believe violates this policy, you must promptly speak to, write, or otherwise contact your immediate supervisor, the Principal, or the Director of Schools, as soon as possible following the offending conduct. If you have not received a satisfactory response within ten (10) days after

reporting any incident of what you perceive to be discriminatory conduct, please immediately contact the Executive Director. These individuals will ensure that a prompt investigation is conducted.

Your complaint should be as detailed as possible, including the names of all individuals involved and any witnesses. CEG will directly and thoroughly investigate the facts and circumstances of all claims of perceived discrimination and will take prompt corrective action, if appropriate. Additionally, any manager or supervisor who observes discriminatory conduct must report the conduct to Executive Director so that an investigation can be made and corrective action taken, if appropriate.

2. No Retaliation

No one will be subject to, and CEG prohibits, any form of discipline, reprisal, intimidation, or retaliation for good faith reports or complaints of incidents of discrimination of any kind, pursuing any discrimination claim, or cooperating in related investigations.

CEG is committed to enforcing this policy against all forms of discrimination. However, the effectiveness of our efforts depends largely on employees telling us about inappropriate workplace conduct. If employees feel that they or someone else may have been subjected to conduct that violates this policy, they should report it immediately. If employees do not report discriminatory conduct, CEG may not become aware of a possible violation of this policy and may not be able to take appropriate corrective action.

3. Violations of this Policy

Any employee, regardless of position or title, whom the Executive Director determines has subjected an individual to discrimination or retaliation in violation of this policy will be subject to discipline, up to and including termination of employment.

4. Administration of this Policy

The Executive Director is responsible for the administration of this policy. If you have any questions regarding this policy or questions about discrimination, accommodations, or retaliation that are not addressed in this policy, please contact the Executive Director.

This policy is not intended to restrict communications or actions protected or required by state or federal law.

B. Harassment

1. Introduction

It is the goal of the School to promote a workplace that is free of harassment by employees, independent contractors, vendors, and/or any other agents. Harassment of employees at School or in any other school-related setting is unlawful and will not be tolerated by the School. Further, retaliation against an individual who has complained about harassment or retaliation against individuals for cooperating with an investigation of a harassment complaint is unlawful and will not be tolerated.

Please note that while this policy sets forth our goals of promoting a harassment-free workplace, the policy is not designed or intended to limit our authority to discipline or take remedial action for workplace conduct that we deem unacceptable, regardless of whether that conduct satisfies the definition of harassment.

2. Sexual Harassment

Sexual harassment means any harassment based on someone's sex or gender. It includes harassment that is not sexual in nature (for example, offensive remarks about an individual's sex or gender), as well as any unwelcome sexual advances or requests for sexual favors or any other conduct of a sexual nature, when any of the following is true:

- (a) Submission to the advance, request or conduct is made either explicitly or implicitly a term or condition of employment;

- (b) Submission to or rejection of the advance, request or conduct is used as a basis for employment decisions such as favorable reviews, salary increases, promotions, increased benefits or continued employment regardless of whether the harasser actually carries through with the threats to alter the subordinate's terms or conditions of employment;
- (c) Such advances, requests or conduct have the purpose or effect of substantially interfering with an individual's work performance by creating an intimidating, hostile, humiliating or offensive work environment.

While it is not possible to list all the circumstances that may constitute sexual harassment, the following are some examples of conduct, which, if unwelcome, may constitute sexual harassment:

- Unwelcome sexual advances - whether or not they involve physical contact;
- Sexual epithets, slurs, jokes, written or oral references to sexual conduct, gossip regarding one's sex life;
- Commenting on an individual's body or about an individual's sexual activity, deficiencies or prowess;
- Displaying sexually suggestive objects, pictures or cartoons;
- Leering, whistling, brushing against the body, sexual gestures, suggestive or insulting comments;
- Sending or circulating, whether in print or electronic form, literature or communications (articles, magazines or e-mails) of a sexual nature;
- Inquiries into one's sexual experiences; and
- Discussion of one's sexual activities.

This list is illustrative only, and not exhaustive. No form of sexual harassment, whether verbal, physical, visual or online, will be tolerated. Harassment is prohibited both at the workplace and at school-related events.

3. Other Types of Harassment

The School strongly supports the rights of all its employees to work in an environment free from all forms of harassment. CEG strictly prohibits and does not tolerate unlawful harassment against employees or any other covered persons because of race, color, religion, creed, national origin, ancestry, sex (including pregnancy), gender (including gender nonconformity and status as a transgender or transsexual individual), age (40 and over), physical or mental disability, citizenship, genetic information, past, current, or prospective service in the uniformed services, volunteer rescue squad service, or any other characteristic protected under applicable federal, state, or local law.

Such harassment often takes a similar form to sexual harassment and includes verbal, visual, online or physical conduct that denigrates or shows hostility or aversion toward an individual because of any of the above characteristics, or that of the individual's relatives, friends or associates, or any other covered person and that does the following:

- creates an intimidating, hostile or offensive work environment;
- unreasonably interferes with an individual's work performance; or
- otherwise adversely affects an individual's employment opportunities.

Harassing conduct may include, but is not limited to the following:

- epithets;
- slurs;
- negative stereotyping;
- threatening, intimidating or hostile acts that relate to the above characteristics; and
- written or graphic material that denigrates or shows hostility or aversion toward an individual or group because of the above characteristics, and that is placed on walls, bulletin boards, or elsewhere on the employer's premises, or circulated in the workplace on paper or electronically, and includes postings in any social media platform.

4. Complaints of Harassment

If you believe that you have been subjected to any conduct that you believe violates this policy or witness any such conduct, you must promptly contact the School's Executive Director or the school Principal, ideally within ten (10) days of the offending contact to report the complaint. In cases involving the Executive Director, you may also contact the Director of Schools.

Your complaint should be as detailed as possible, including the names of all individuals involved and any witnesses. This may be done in writing or orally. CEG will directly and thoroughly investigate the facts and circumstances of all claims of perceived harassment and will take prompt corrective action, if appropriate. Additionally, any supervisor who observes harassing conduct must report the conduct to the Executive Director so that an investigation can be made and corrective action taken, if appropriate.

When CEG receives a complaint, CEG will promptly investigate the allegation in a fair and expeditious manner. The investigation will be conducted in such a way as to maintain confidentiality to the extent practicable under the circumstances. If you have not received a satisfactory response within ten (10) days after reporting any incident of what you perceive to be harassment, please immediately contact the Executive Director or the Director of Operations, if involving the Executive Director, and these individuals will ensure that a prompt investigation is conducted.

The Executive Director is responsible for the administration of this policy and is available to discuss any concerns you may have and to provide information to you about our policy on harassment and our complaint process.

All employees should take special note that, as stated above, CEG strictly prohibits any form of discipline, reprisal, intimidation, or retaliation for good-faith reporting of incidents of harassment of any kind, pursuing any harassment claim, or cooperating in related investigations.

C. Work Day Schedules, Attendance, and Notification

If an employee plans to be out of the School for any purpose, the employee is required to advise his/her direct supervisor so that the School may contact you if it becomes necessary. The employee is also required to record his/her absence in the method defined by the organization. Failure to notify your supervisor and record the absence as soon as the decision to be absent has been made could result in disciplinary action, up to and including termination.

The School expects all employees to arrive to work each day on a timely basis. Unless otherwise stated in an employee offer letter, the expected work day on campus for all fulltime employees is 7am until 4pm for Lester Campus and 7:15 until 4:15 for the Denver Campus. Fridays for all campuses may be shortened for Professional Development. The School reserves the right to review or investigate excessive absences or tardiness, as determined in its sole discretion, even where such absences or tardiness are authorized. Excessive tardiness or absences may result in disciplinary action, up to and including termination.

Teachers who need to arrive late, leave early, or be out of School must notify the Principal or his/her designee by email at least one week in advance, when possible, so that coverage can be arranged. If the period out of school is to occur on the same day of notification, the teacher must notify the Principal or his/her designee by telephone and/or email. In all instances, the employee must immediately record the absence in the organization's recording system. Teachers who are on campus less than 4 hours will be charged for a full day missed and teachers on campus more than 4 hours but leave before the end of the work day will be charged for a ½ day missed.

D. Paycheck Policies

All employees of the School who are employed on July 1 are compensated by electronic deposit paid over either eleven (11) or twelve (12) months via 22, 23 or 24 payments, based on specific jobs, job classifications and individual offer letters. Most employees hired before July 1, who are scheduled to begin work after July 1, will receive their first pay check only after attending the first day of work. In most cases for Instructional Staff, that would mean an employee would begin working after July 15 and receive 24 equal paychecks, receiving one paycheck on July 31 and then receiving two paychecks per month from August through May. The employee would receive 3 paychecks in June of the following year. Most School Leaders and Office Staff will begin working in the office July 1 and therefore will receive 24 equal payments (2 per month), receiving their first check on July 15 and their last check June 30 of the following year. Most part-time positions will be paid over 11 months, from August through the following June. Employees who are hired after July 1 will be paid as stated in their individual offer letter and may be paid over fewer pay periods and may end employment and pay at the end of the Academic Year rather than the end of the School's Calendar Year. (Academic Year and Calendar Year defined below). Employees must provide the required depository information to receive their paycheck.

Employees who resign are expected to provide as much notice as possible of their resignation, ideally four weeks at a minimum. Employees who resign before the end of the school year and provide two weeks' notice in writing, AND work those two weeks on campus (defined as ten (10) scheduled school days) will be compensated for actual days worked during the Academic Year and will receive their final paycheck on the pay period following their termination date for the time worked by such employee prior to his/her resignation. No additional pay will be provided. Employees who resign but do not provide a minimum of two weeks' notice in writing AND work for ten (10) scheduled school days will receive no further compensation. Employees who complete their current year obligations but are not returning for the following year will receive their final paycheck on June 30 unless otherwise stated in their offer letter. Receipt of this policy serves as approval for these paycheck policies.

E. Business Travel

All employees are expected to exercise good business judgment when incurring travel, business, and/or other School-related expenses, where authorized. Employees are entitled to reimbursement for ordinary expenses incurred while engaged in School business. All requests for advance payment or reimbursement of business expenses must be submitted in strict compliance with the procedures and forms adopted by the School, including necessary documentation of business expenses. Extraordinary expenses, as determined by the School in its sole discretion, must be approved by the Executive Director in advance.

F. Performance Review and Evaluation

We expect staff members to continuously reflect upon and endeavor to improve their knowledge, skills, and approach to their work. Performance reviews and evaluations, both informal and formal, will be an integral part of every staff member's professional development.

Informal Performance Reviews: Performance reviews may take place any number of times during the year, and may be in the form of a scheduled meeting or more informal talks or email feedback during the school-day or unannounced pop-in observations or casual unplanned observations. Performance reviews may be utilized as tools to improve employee performance. Employees could receive classroom observations and feedback daily. Employees may be evaluated based on CEG performance rubrics, common best practices, specific skills or tools presented to employees during professional development or other common or CEG-specific expectations. Scores may be tracked and recorded based on observations.

Informal performance reviews or observations may identify unsatisfactory areas of performance. This unsatisfactory performance may be communicated to employees through verbal or written format and may include warnings, timelines for expected improvement or a written performance improvement plan (PIP). Failure to make the noted improvements in a timely manner could result in disciplinary action, up to and including termination.

Evaluations will be scheduled and will occur not less than annually. Non-teaching staff will be evaluated based on our standards of excellence. Teachers will be evaluated primarily, but not exclusively, based on a rubric provided at the beginning of the year or revised and distributed during the year as well as best teaching practice or tools or skills provided during professional development, coaching conversations and the CEG blueprint.

During an employee's review meeting, the employee's Supervisor will discuss areas of strength and areas of concerns. Employees who disagree with an evaluation may request a meeting with the Principal or if reporting directly to the Principal, to the Executive Director. Direct employees of the Executive Director may appeal evaluations to the Chairperson of the Board.

G. Anti-Nepotism Policy

The school believes that employing immediate family members for fulltime work makes supervising and leading more difficult and therefore is not in the best interest of individual schools. Therefore, members of an employee's immediate family will not be considered for fulltime employment in the same school.

However, on rare occasions, immediate family members may be hired based on their qualifications, if hired for a position located on a separate campus. Immediate family may not be hired, however, if employment would:

- (i) Create a supervisor/subordinate relationship with a family member;
- (ii) Have the potential for creating an adverse impact on work performance; or
- (iii) Create either an actual conflict of interest or the appearance of a conflict of interest.

This policy will be considered when assigning, transferring, or promoting an employee. For the purpose of this policy, immediate family includes: spouse, parent, child, sibling, in-law, aunt, uncle, niece, grandparent, grandchild, or members of household. This policy also applies to staff romantic relationships.

Employees who become immediate family members or establish a romantic relationship may continue employment as long as it does not involve any of the problems listed above. If one of the conditions outlined should occur, attempts will be made to find a suitable position within the organization to which one of the employees could transfer.

III. EMPLOYEE CONDUCT

A. Discharge and Other Discipline

As an integral member of the School, you are expected to accept certain responsibilities, adhere to acceptable School practices, and exhibit a high degree of personal integrity at all times. This involves respecting the rights and feelings of others and refraining from any behavior that might be harmful to you, your co-workers, and/or the School. You are expected to observe the highest standards of professionalism at all times. These expectations apply to all staff equally.

These guidelines are fundamental in nature and are matters of judgment and common sense. Since it is impossible to list guidelines to cover every situation, the absence of an illustration from this list will not prohibit the School from taking disciplinary action, up to and including immediate dismissal, when the School believes, in its sole discretion, such action is warranted.

The School expects you to follow rules of conduct that will protect the interests and safety of all employees and the School. Types of behavior and conduct the School considers inappropriate include, but are not limited to, the following:

- Misconduct involving students;
- Falsifying employment or other School records;
- Violating the School's nondiscrimination and/or employee harassment policies, sexual or otherwise.

- Breach of School confidential information;
- Excessive or patterned absenteeism or tardiness;
- Excessive, unnecessary, or unauthorized use of the School's supplies or telephones, particularly for personal purposes;
- Reporting to work intoxicated or under the influence of non-prescribed drugs, or possession, use, distribution, manufacture, sale, or dispensation of any controlled substance or illegal drug;
- Fighting or using obscene, abusive, or threatening language or gestures;
- Stealing from the School, from students, or fellow employees, misappropriation of School assets or failure to report knowledge of such acts;
- Possession of firearms or weapons on the School's premises or during the course of your employment-related activities;
- Disregarding safety or security rules and regulations;
- Sleeping while on the campus or when representing the organization during work hours;
- Acts or language that display lack of integrity, including lying, providing misleading information or withholding critical information;
- Insubordination (i.e., failure to comply with a request from management);
- Failure to notify your manager that you will be absent from work in accordance with School policy or failure to record absences immediately as required;
- Falsifying, distorting or inappropriately influencing student assessments or student grades;
- Defacing or damaging School property or destroying or altering or damaging school documents or systems;
- Interfering with the normal workflow, productivity or morale of any co-worker or the organization;
- Unauthorized departure from accepted operating procedures;
- Abuse or neglect of any kind directed toward a student;
- Any action, whatsoever, that has the potential to negatively affect good relations between the School and its employees or between the School and any of its students or the school and its community; and
- Any violation of School policy.

The School may impose disciplinary action, up to and including termination, in the event that your performance, work habits, attitude, conduct or demeanor become unsatisfactory. The School reserves the right to exercise its discretion to judge unsatisfactory conduct or behavior based on violations of the above, any other School policies, rules or regulations, or for any other lawful reason.

B. Termination of Employment

1. Termination

Employment at the School is “at will,” unless otherwise provided by law, which means that employment is not for a specified period of time and that either an employee or the School may terminate the employment relationship at any time for any non-discriminatory reason or for no reason at all, with or without advanced notice. Employees terminated before the end of the school year will receive no future compensation nor have access to school-provided benefits after the date of termination, except through COBRA (to the extent required by law). If additional compensation is due, final paychecks for terminated employees will be provided at the next normal, published pay date. An employee may be required to pay back excess personal or sick days, or the School may deduct the amount from the employee's final check. CEG may also deduct from an employee's final paycheck, any amounts owed to CEG for any outstanding unauthorized or non-qualified health or other benefit expenditures, or for the cost of any other CEG assets the employee does not return. **By acknowledging receipt of this handbook, employees authorize such deductions without receiving advanced notice of such deductions.**

2. Resignation

A resignation is a termination instituted by the employee. All staff members are expected to provide as much notice as possible of their resignation, ideally four weeks at a minimum. Employees who resign before the end of the school year and provide two weeks' written notice, AND work those two weeks on campus (defined as ten (10) scheduled school days) will be compensated for actual days worked during the Academic Year and will receive their final paycheck on the pay period following their termination date for the time worked by such employee prior to his/her resignation. No additional pay will be provided. Employees who resign but do not provide a minimum of two weeks' notice in writing AND work for ten (10) scheduled school days will receive no further compensation. Employees who complete their current year obligations but are not returning for the following year will receive their final paycheck on June 30 unless otherwise stated in their offer letter.

An employee who resigns before the end of the school year may be required to pay back excess personal or sick days, or CEG may deduct those amounts, if any, from the employee's final check. CEG may also deduct from an employee's final paycheck, any amounts owed to CEG for any outstanding unauthorized or non-qualified health or other benefit expenditures, or for the cost of any other CEG assets the employee does not return. **By acknowledging receipt of this handbook, employees authorize such deductions without receiving advanced notice of such deductions.**

3. Completion of work

Employees have varying employment end dates, based on roles, school needs and individual offer letters. Unless explicitly stated otherwise in a written offer letter, employees earn their full pay by working the following schedule during the school's calendar year, July 1-June 30 (the "Calendar Year"):

- **Instructional Staff:** Instructional Staff is defined as general education, special education, specials, ESL, gifted, part-time and fulltime small group teachers, reading specialists, academic interventionists, behavior teams, and counselors. Instructional Staff begin work with professional development in July and work through the completion and submission of all required materials and completion of all assignments, which is expected to be within five (5) working days of the end of the school-year for students (the "Academic Year").
- **School Leaders:** School Leader is defined as Principals, Assistant Principals, Assistant Deans and Directors, Deans and Directors, RTI Coordinators, Math, Reading and/or Science Coaches or Content Specialists, Residents in Training, and all operations and Support Services staff. School Leaders work on a 12-month basis, beginning July 1 and ending June 30 of the following year. School Leaders who may not be returning the following Calendar Year are still expected to work through June 30 to receive their full compensation for the current Calendar Year. Non-returning Staff Leaders may be required to work in areas consistent with their job description based upon the needs of the organization in June. CEG may request daily reports displaying work accomplished between the last day of the Academic Year and June 30 depending on the circumstances.
- **Office Staff:** Office Staff includes all administrative assistants and specialists, receptionists and other office staff. Office Staff begin work on July 1 to support campus, organizational and building needs. Office and Staff's last day of work for the applicable school year will be ten (10) business days following the last day of the Academic Year. Office Staff must work the ten (10) business days following the last day of the Academic Year to receive their full annual salary.

C. Return of Property

Upon separation from the School, all files, documents, records, laptops, credit cards, door and file keys, computer access codes or discs, instructional handbooks, and other physical or personal property which the employee has received, prepared, or helped prepare in connection with his/her employment with the School, and any copies, duplicates, reproductions, or excerpts thereof must be returned by the employee on or before the last day of work. Staff who do not return their property, or lose and request replacement of their property, will have the following deducted from their check:

- Lost key or lost badge: \$35,
- lost or damaged iPad or Chrome Book: \$500;

- lost or damaged computer: \$800.

By acknowledging receipt of this handbook, employees authorize such deductions.

D. Smoking Policy

The School's policy on smoking, in accordance with Tennessee Code Annotated, Section 39-17-1804, which prohibits smoking in most enclosed public places and workplaces in Tennessee, is as follows:

- All employees have the right to work in a smoke free environment. It is recognized that smoking is dangerous to the health of the smoker and that second-hand smoke is a cause of disease, including lung cancer, in healthy nonsmokers. The simple separation of smokers and nonsmokers within the same air space may reduce, but does not eliminate, the exposure of nonsmokers to environmental tobacco smoke. This applies to *all* smoking tobacco products, i.e., cigarettes, cigars, and pipes. This policy has been developed to protect all persons from the exposure to environmental tobacco smoke and to ensure a safe working environment.
- Smoking is prohibited in all facilities and areas of the entire workplace with no exceptions. Smoking is not permitted anywhere at the School, including all common work areas, elevators, hallways, vehicles, restrooms, playground, conference and meeting rooms, and all other enclosed or outdoor areas in the workplace. The policy applies to all employees, consultants, contractors, and visitors.
- Any disputes involving smoking will be referred to your immediate supervisor.
- No person or employer shall discharge, refuse to hire, refuse to serve, or in any manner retaliate against any employee, applicant, or student because such employee, applicant or student takes any action in furtherance of the enforcement of this regulation or exercises any right conferred by this regulation.
- The School encourages all smoking employees to quit smoking. The School is available to provide you with contact information for Smoking Cessation resources and self-help materials for those employees who want to quit. For further information about these services please contact the Executive Director.

E. Drug-Free Workplace Policy

Commitment to a Drug and Alcohol-Free Workplace: CEG is committed to providing a safe, healthy, and productive work environment. Consistent with this commitment, this policy establishes CEG's intent to maintain a drug and alcohol-free workplace. Being under the influence of alcohol or illegal drugs (as classified under federal, state, or local laws), including marijuana, while on the job poses serious health and safety risks to employees, students and others, which is not tolerated.

Prohibited Conduct: CEG expressly prohibits the following activities pursuant to applicable Tennessee Statutes:

- The possession, sale, purchase, transfer, or transit of any illegal or unauthorized drug, including prescription medication that is not prescribed to the employee or drug-related paraphernalia, on or off the job;
- Reporting to work under the influence of or while possessing in his or her body, blood or urine, illegal drugs in any detectable amount.
- Reporting to work under the influence of or impaired by alcohol, illegal drugs, or other impairing substances.
- The illegal use or abuse of prescription drugs, i.e., to use prescription drugs that have not been legally obtained or in a manner or for a purpose other than as prescribed.

Nothing in this policy is meant to prohibit the appropriate use of over-the-counter medication or other medication that can legally be prescribed under both federal and state law, to the extent that it does not impair an employee's job performance or safety or the safety of others.

Employees who take over-the-counter medication or other medication that can legally be prescribed under both federal and state law to treat a disability should inform their supervisor if they believe the medication will

impair their job performance, safety, or the safety of others or if they believe they need a reasonable accommodation **before** reporting to work while under the influence of that medication.

It is a condition of employment that each Employee notify the Executive Director of any criminal drug conviction within five (5) days of such a conviction. The Executive Director will take appropriate disciplinary action up to and including employment termination, or take such other action as otherwise required by law.

Employer-Sponsored Events: From time to time, CEG may sponsor social or business-related events at which alcohol is served. This policy does not prohibit the use or consumption of alcohol at such events. However, if employees choose to consume alcohol at such events, they must do so responsibly and maintain their obligation to conduct themselves properly and professionally at all times with colleagues and/or others in attendance at such events.

Workplace Searches and Inspections: To achieve the goals of this policy and maintain a safe, healthy, and productive work environment, CEG reserves the right at all times to inspect employees, as well as their surroundings and possessions, for substances or materials in violation of this policy. This right extends to the search or inspection of clothing, desks, lockers, bags, briefcases, containers, packages, boxes, tools and tool boxes, lunch boxes, and employer-owned or leased vehicles and any vehicles on company property where prohibited items may be concealed. Employees should have no expectation of privacy while on CEG premises. Any refusal by an Employee to submit to an inspection is an act of insubordination subject to disciplinary action.

Employee Assistance Programs: CEG offers resource information on various means of employee assistance in our community, including but not limited to drug and alcohol abuse programs. Employees are encouraged to use this resource file; which is located in the human resources office. In addition, we will distribute this information to employees for their confidential use.

Any violation of this policy may result in summary discipline for the employee, up to and including discharge.

F. Electronic Mail, Communications and Information Systems Policy

The School provides some employees with computer equipment (e.g., laptops, hand held devices, personal computers, etc.) and on-line access to internal and external networks, including the Internet, so that such employees may communicate more efficiently to accomplish the School's goals.

Use of the School's computer equipment or on-line access provided by the School is subject to the following general conditions:

- Your use of computer equipment and on-line access should be for the School's purposes and not for more than incidental personal use.
- Use of equipment or on-line access provided by the School for any illegal purpose is prohibited. Such use includes, but is not limited to the following:
 - Gaining unauthorized access to or intentionally damaging other computer systems or networks or the information contained within them;
 - Committing theft, fraud or other criminal acts of any kind;
 - Distributing or obtaining illegally copied software, graphics, sounds, text or other material; and
 - Sending or posting harassing or threatening messages or pornographic or indecent content.
- The School will cooperate with law enforcement authorities to prosecute offenders of any illegal online activity. You must report any suspected, accidental, or intentional illegal online activity.
- The School has the right to monitor all on-line communications to ensure that appropriate and lawful purposes are being pursued and to limit connections solely to School-related resources. All information stored on School computers, including all e-mail communication, belongs to the School. The School may inspect all such computers and information at any time as necessary for the conduct of its business.

- No direct third party physical or electronic access to School facilities, information, or computers of any type or for any reason may be established without the express permission of the Director of Operations or Executive Director.
- Employees may not download or save any material from any on-line source, however retrieved, unless (a) you have taken measures to verify source reliability, (b) the material is legally permitted to be downloaded without violation of copyright or trademark, and (c) does not otherwise violate these policies.
- Downloading data, information, images, and the like from an outside source increases the risks to our computers of viruses and other damaging agents. You should not retrieve material from outside sources, particularly from sources not known to you, unless you have good reason to do so. Any material downloaded from an outside source should be checked immediately for viruses and other damaging elements.
- The School will frequently capture employees on video to help assist in professional development, or to share events or exceptional teaching moments with the public. By acknowledging receipt of this handbook, you give the school permission to use video or pictures as needed for the benefit of the School or others with the School's permission.

The School realizes that on occasion it may be necessary for employees to make or accept personal calls or check for texts or personal emails during the work day. These personal calls or checks should be limited to planning or off periods, should take place outside of the classroom and they should not interfere with the employee's job duties or performance. Absent prior supervisory approval, employees are prohibited from checking for personal emails, texts or calls or taking pictures during times of instruction. Employees are subject to discipline, up to and including termination, where the non-business use of cellular telephones or checks for personal communication adversely affects their job performance or causes disruption in the classroom or workplace. Unauthorized or improper use of communication devices constitutes grounds for discipline, up to and including termination.

In addition, the following policies apply to the specific services and capabilities described below:

1. Electronic Mail ("e-mail")

The School provides e-mail for purposes of School communications.

- You are prohibited from initiating or forwarding harassing, pornographic, or indecent messages, either to School employees or to anyone else.
- E-mails must be addressed to proper recipients. Carefully check to reduce the possibility of communications being misdirected.
- If your job includes responding to work-related e-mail requests on an informal and unofficial basis (e.g., a personal reference for a colleague or student), make sure that your message clearly states that your views are not necessarily the views of the School. Even so, you must be aware that the address you are sending from may well indicate the School's name and you should keep in mind that the message may be seen to be representing the School, regardless of any disclaimers.
- In all cases, do not reveal any confidential information of the School or its vendors, students and employees.
- You are prohibited from misrepresenting your name, identity, or position or posing as another person in an electronic mail message.

2. Internet Use

The internet should only be accessed for purposes of instructional resources or other purposes directly related to your job.

3. Social Networking Sites

Access to social networking sites, including but not limited to Facebook, Twitter, chat rooms and blogs (collectively, "social networking sites") are subject to restrictions. Unless otherwise indicated, the following

guidelines apply to users regardless of whether such use is made during business or non-business hours or on School-owned or personal computer equipment:

- Access to social networking sites is prohibited when using School-owned computer equipment within the school building, unless such access is for official School purposes or as otherwise authorized by the School.
- You must be aware that the address you are sending from may well indicate the School's name and you should keep in mind that the message may be seen to be representing the School, regardless of any disclaimers.
- You must be aware that any social media postings related to education may be seen to be representing the School, regardless of any disclaimers.
- Users must protect all confidential or proprietary information of the School or of any third party that may have disclosed such information to the School. This includes student information, financial, legal, economic, business and general information on the School's business operations and prospects, including project plans, policies, manuals, plans, business prospects information, vendor information and reports, consultant reports, strategic plans, analyses, compilations, studies, or any other documents containing or based in whole or in part on information furnished by or other information that is not generally available to the public.
- While the School provides internet access to its employees as part of its work resources, it does not monitor the content of every website which it makes available. Provision of a particular website or posting board does not imply the School's endorsement or approval of the content of such site or posting. The School reserves the right but is not obligated to place appropriate limits on the sites it makes available.

4. Disciplinary Action

Abuse of the School's computer equipment or on-line connection or other violation of this policy will result in disciplinary action, up to and including termination, as determined in the School's sole discretion.

G. Computer Software

All employees shall use software only in accordance with its license agreement. Unless otherwise provided in the license, any duplication of copyrighted software, except for backup and archival purposes, is a violation of the law. The following points are to be followed to comply with the School's software licensing agreement(s):

1. We will use all software in accordance with applicable license agreement(s).
2. Legitimate licensed copies of software will promptly be provided to all employees who, in the discretion of the School, need it for the performance of their duties to the School. No employee will make any unauthorized copies of any software under any circumstances. Anyone found copying software other than for backup purposes is subject to termination.
3. We will not tolerate the use of any unauthorized copies of software in our School. Any person illegally reproducing software can be subject to civil and criminal penalties including fines and imprisonment. We do not condone illegal copying of software under any circumstances and anyone who makes, uses, or otherwise acquires unauthorized software shall be appropriately disciplined.
4. No employee shall give School software to any outsiders including students. No employee shall install any software on School computers except the software provided by the School for installation. No employee shall establish a password or encryption protection on a School computer without authorization from the School or without providing such password or the key to such encryption to the School.
5. Any employee who determines that there may be a purposeful or accidental violation of the above software policy within the School shall notify the Executive Director.
6. All software installed and/or used on School computers shall be properly licensed through appropriate procedures.

H. Confidentiality of School Information

The protection of the School's confidential information is vital to the interests and the success of the School.

It is the policy of the School to ensure that the operations, activities, and business affairs of the School are kept confidential to the greatest possible extent. If during the course of employment, you acquire confidential information or proprietary information about the School and its students, such information is to be handled in strict confidence and not to be discussed with persons outside the School. Such confidential information includes, but is not limited to, the following: student information, compensation, certain policies and procedures, building and security-related information, financial, legal, economic, business and general information on the School's business operations and prospects, or any other School documents containing or based in whole or in part on information furnished by or other information that is not generally available to the public. Employees are also responsible for the internal security of such information.

Please remember that keeping all of the School's proprietary information confidential is part of your employment arrangement with the School. This obligation shall remain in effect during your employment at the School and at all times thereafter. Violation of this policy is a serious breach of confidence and may lead to disciplinary action, up to and including immediate termination.

I. Conflicts of Interest

Employees have an obligation to conduct School business within guidelines that prohibit actual or potential conflicts of interest, set forth below. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of the School's dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

No "presumption of guilt" is created by the mere existence of a relationship with outside organizations. However, if an employee has any influence on transactions involving purchases, contracts, or leases, it is imperative that the employee disclose to the Executive Director as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a company with which the School does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving the School.

In addition, no employee may participate in the selection, award or administration of a contract supported by a Federal award if that employee has a real or apparent conflict of interest.

J. Dress Code

Professional dress is expected of all staff members. The dress code has been designed with two guiding principles in mind.

- We always aim to set high expectations for students and to model those expectations with our own behavior and appearance. As such, staff members should ensure that their attire meets or exceeds the standards of professionalism.
- The dress code demonstrates a strong commitment to the professionalism of all members of the staff. Everyone on the staff is expected to dress like and perform like professionals at all times.

During periods when students are not typically in the building, casual dress is appropriate for all staff members.

Monday, Tuesday and Thursday CEG staff members dress for success, modeling the professional dress of future organizational leaders as defined below.

On Wednesday CEG staff members dress for unity, displaying our staff and school community. All staff wear CEG polos (not t-shirts) on Wednesday with professional pants/skirts and professional shoes, tennis shoes or professional sandals. No other attire should be worn on Wednesdays other than the CEG polo.

On Friday CEG staff members dress for the mission, displaying our extra focus on CEG values, college focus and future leadership development as professionals. Staff may wear CEG polos, CEG or college t-shirts or sweatshirts (no other t-shirts or sweatshirts are permitted) or professional dress.

During the school year, the following dress code will apply when CEG members dress for success:

- Men should wear a collared, button up shirt, with a tie being optional. Collared short-sleeve shirts and CEG polos are also acceptable. Men must wear dress pants or khaki pants. Professional shoes are preferred but tennis shoes are allowed. Attire should never be a distraction to students or other adults in the building.
- Women should wear dress slacks, or skirts of professional length with blouses. Blouses should exceed the level of professionalism of the student polo shirt. Women may also wear dresses which mirror this level of professionalism. Professional shoes are preferred but tennis shoes or professional sandals are allowed. Attire should never be a distraction to students or other adults in the building.
- PE teachers or coaches should wear business casual attire. Tennis shoes are permitted.

Please note the following specifics of the dress code:

- Flip-flops are prohibited. Professional sandals are acceptable.
- Denim jeans of all colors are prohibited. Pants of other material need to meet or exceed the appearance of khaki pants.
- Heavy coats should be taken off when in the classroom. Small jackets are acceptable in the classroom.
- Tank tops, layering T-shirts, and camisoles may only be worn as a layer beneath a sweater, jacket, or other professional shirt. Sleeveless blouses may be worn by women as long as they are professional in nature. The straps on such blouses must extend from the base of the neckline to the top of the shoulder. Cap sleeves are acceptable.
- Attire must be well maintained (i.e., free of stains, wear, holes, tatters or excessive wrinkles)
- Staff should only wear athletic clothing in the building when they are supervising athletic events or classes with students.
- Exceptions to this policy will be made on certain occasions (e.g., field trips, noted dress down days, etc.) and for certain staff medical needs.

K. Policy on Background Checks

CEG conducts criminal background checks on all current and prospective employees, volunteers, school transportation providers, and others that may have direct and unmonitored contact with children, before they are hired and at least every three years during the term of service with the School. All staff positions are conditioned upon successful completion of this background check. The background check will be used to check the criminal history records of the Tennessee Bureau of Investigation (TBI) and the Federal Bureau of Investigation (FBI). Prospective employees whose background check identifies a past offense will be required to provide further information on the incident, which could include a written statement, additional references or eye witnesses, proof of restitution or resolution, and other information related to the offense. Prospective employees whose background check identifies a past offense will have their situation reviewed by the Executive Director and the school board, who will work together to determine the candidate's viability of employment based on the facts related to the offense. The Executive Director and board consider a wide variety of factors in making employment decisions for candidates whose background check identifies a past offense, including, but not limited to, the nature of the offense, the time since the event and the relation of the event to the job. Tennessee state law identifies certain felonies that would prohibit the hiring of a candidate for a role in a public school. Where a candidate's background check reveals such an incident, CEG will immediately tell the candidate

they are disqualified from employment. These same policies, processes and consideration for continued employment will be followed for current employees who provide a criminal background check every three years.

Employees must notify the Executive Director within five (5) days if the employee is charged or convicted of a crime under TCA 40-39-202, or any crimes committed against children or related to Domestic Assault, after successfully passing the original background check.

L. Physical Contact Between Employees and Students at School and During School Sponsored Functions

1. Introduction

The purpose of this policy statement is to provide all employees with guidance and direction with respect to physical contact between employees and students at School and during School sponsored functions. It is an area of educational policy, judgment, and law which is fraught with uncertainties and changing standards. What constitutes appropriate physical contact in one circumstance may be totally inappropriate in another. At the outset, the decision of whether or not to touch or make physical contact with a student must be made by the employee involved. When or if it occurs, its appropriateness will depend on a variety of factors. The School believes that its employees individually and collectively possess the wisdom and expertise necessary to conduct themselves in a manner which is educationally sound and acceptable both within the professional community and the community at large.

2. General Principles

All physical contact between employees and students shall have a valid educational purpose and objective, meeting the student's needs.

The use of physical contact (including touching) or force in order to impose the staff member's personal feelings upon a student, except in an emergency situation, is strictly prohibited.

Employees who observe physical contact between students and employees which they deem to be inappropriate are expected to report such observations to the principal or Executive Director as soon as possible. If the observer believes the contact is or may be immediately harmful, prompt intervention to prevent further harm is expected.

Teachers and Staff should always exercise caution about being alone with any student, regardless of gender. Staff members should not give rides to individual students of the opposite gender without the presence of another adult or a person of the same gender. Teachers and staff must use caution when alone with an individual student in any room where activities are not highly visible to passersby and therefore should make every effort to make sure such meetings occur in a place where the staff member and the student can be seen.

3. Staff Conduct with Students

Questions of the appropriateness of physical contact are to be determined by the context of the contact on a case-by-case basis. Issues such as intent, context, location, circumstances, age, and sex are all considerations which may be relevant. Instances of inappropriate physical contact initiated, encouraged, practiced, and/or tolerated by employees, in even a single instance, may result in disciplinary action up to and including dismissal and/or legal action.

4. Summary

The School recognizes that this is a complex issue, and that some employees may deal with it by implementing a practice of never physically contacting or touching students. That is not the School's intent or objective. It is expected that any physical contact between an employee and a student will have a legitimate purpose consistent with the School's role as educator and caretaker of minor children.

M. Student Discrimination, Harassment, Bullying, Cyberbullying and Intimidation

1. **General.** CEG has determined that a safe, civil, and supportive environment in school is necessary for students to learn and achieve high academic standards. To maintain that environment, acts of bullying, cyber-bullying, discrimination, harassment, hazing or any other victimization of students, based on any actual or perceived traits or characteristics, are prohibited. TCA §49-6-4505.

This policy shall cover behaviors of students and employees while on school property, at any school-sponsored activity, on school-provided equipment or transportation, or any official school bus stop. If the act takes place off school property or outside of a school-sponsored activity, this policy is in effect if the conduct is directed specifically at a student or students and has the effect of creating a hostile educational environment or otherwise creating a substantial disruption to the educational environment or learning process.

2. Definitions.

Bullying/Intimidation/Harassment - An intentional act that substantially interferes with a student's educational benefits, opportunities, or performance, and the act has the effect of:

- Physically harming a student or damaging a student's property;
- Knowingly placing a student or students in reasonable fear of physical harm to the student or damage to the student's property;
- Causing emotional distress to a student or students; or
- Creating a hostile educational environment.

Bullying, intimidation, or harassment may also be unwelcome conduct based on a protected class (race, nationality, origin, color, gender, age, disability, religion) that is severe, pervasive, or persistent and creates a hostile environment.

Cyberbullying - A form of bullying undertaken using electronic devices. Electronic devices include, but are not limited to, telephones, cellular phones or other wireless telecommunication devices, text messaging, emails, social networking sites, instant messaging, videos, web sites or fake profiles.

Hazing - An intentional or reckless act by a student or group of students that is directed against any other student(s) that endangers the mental or physical health or safety of the student(s) or that induces or coerces a student to endanger his/her mental or physical health or safety. Coaches and other employees of the school district shall not encourage, permit, condone or tolerate hazing activities. "Hazing" does not include customary athletic events or similar contest or competitions and is limited to those actions taken and situations created in connection with initiation into or affiliation with any organization.

3. **Reporting Complaints:** Any student that believes that he/she is the subject of or has witnessed an act of harassment, intimidation, bullying or cyberbullying shall report the conduct immediately to a teacher, school counselor or school administrator.

Any parent/guardian of a student that believes that his/her child is the subject of or has witnessed an act of harassment, intimidation, bullying or cyberbullying shall report the conduct to any teacher, school counselor, or school administrator.

Any CEG employee or other member of the CEG community, including students, parents, volunteers and visitors, that witness an act of harassment, intimidation, bullying or cyberbullying shall report the conduct to a school building level principal/designee.

Reports of harassment, intimidation, bullying and/or cyberbullying may be made anonymously to any school teacher, school counselor, school administrator or CEG Support Services representative. All such reports will be immediately reported to the school principal.

False accusations accusing another person of having committed an act prohibited under this policy are prohibited. Any student or employee found to have falsely accused someone of having committed an act of harassment or intimidation, bullying or cyberbullying, as a means of harassment, intimidation, bullying or cyberbullying, shall be disciplined in accordance with CEG's disciplinary policies and procedures.

4. Investigations: The principal at each school shall be responsible for investigating all reports of harassment, intimidation, bullying and/or cyberbullying. Once a report is received, the principal/designee shall initiate an investigation within forty-eight (48) hours of receipt of the report, unless the need for more time appropriately documented.

After the principal has determined that a student was involved in an act of harassment, intimidation, bullying or cyberbullying, the principal shall inform the parent/guardian of the student's involvement in act of harassment, intimidation, bullying or cyberbullying and provide information relative to the availability of counseling and/or support services by school counseling personnel or other resources, when needed or necessary.

All investigations shall be completed and appropriate intervention taken within twenty (20) calendar days from the receipt of the initial report. When a complaint is filed alleging a violation of this policy where there is physical harm or the threat of physical harm to a student or a student's property, the principal shall report the findings and any disciplinary actions taken to the director of schools and the chair of the board of education.

5. Consequences: Any student or employee that commits an act of harassment, intimidation, bullying and/or cyberbullying to a student shall be disciplined in accordance with CEG disciplinary policies and procedures.

6. Retaliation: Retaliation or reprisal against any person who reports or assists in any investigation of an act alleged in this policy is prohibited. The administrator shall determine the consequences and appropriate remedial action for a person and circumstances of the act and who engages in retaliation or reprisal, after consideration of the nature and severity, in accordance with CEG disciplinary policies and procedures.

7. Training: The principal is responsible for ensuring the education and/or training of school staff and students annually as to the definition, prevention, intervention, and recognition of harassment, intimidation, bullying, and cyberbullying.

N. Restraint Policy

The following CEG guidelines apply not only during school hours but also at School-sponsored events and activities, whether or not on school property. School staff may use physical restraint only when non-physical interventions would be ineffective and the student's behavior poses a threat of imminent, serious harm to self and/or others. This restraint may be necessary for general education students or pursuant to a student's IEP or other written plan developed in accordance with state and federal law and approved by the School and parent or guardian. Physical restraint is the use of bodily force to limit a student's freedom of movement.

The regulations do not prevent a teacher, employee or agent of CEG from using reasonable force to protect students, other persons, or themselves from assault or imminent serious harm or from restraining students as needed.

O. Mandated Reporter

1. General: All members of the CEG community are responsible for compliance with Tennessee laws on mandatory reporting of child abuse and child sexual abuse. The following is a summary of key provisions of Tennessee law on mandatory reporting of child abuse and child sexual abuse.

Tennessee law mandates reporting by any person who has knowledge of physical or mental harm to a child if: (1) the nature of the harm reasonably indicates it was caused by brutality, abuse, or neglect; or (2) on the basis of available information, the harm reasonably appears to have been caused by brutality, abuse, or neglect.

Tennessee law also mandates reporting by any person who knows or has reasonable cause to suspect that a child has been sexually abused, regardless of whether it appears the child has sustained an injury as a result of the abuse.

The Tennessee mandatory reporting laws define a child as a person under 18 years of age.

2. How to Report: Call 911 if the situation is a life-threatening emergency. In other cases, a report of child abuse or child sexual abuse must be made immediately to one of the following four authorities:

- The Tennessee Department of Children’s Services (reports can be made by calling the Central Intake Child Abuse Hotline at 1-877-237-0004);
- The sheriff of the county where the child resides;
- The chief law enforcement official of the city where the child resides; or
- A judge having juvenile jurisdiction over the child.

Reporting to CEG does not satisfy an individual’s duty to report child abuse or child sexual abuse to one of the authorities listed above, however CEG requests that employees report to the Principal first to allow CEG to assist and determine the best course of action.

3. Criminal Penalties for Failure to Report: Any person who knowingly fails to make a report of child abuse as required by Tennessee law commits a Class A misdemeanor. Any person who knowingly and willfully fails to report known or suspected child sexual abuse, or who knowingly and willfully prevents another person from doing so, commits a Class A misdemeanor.

III. TIME OFF

A. School Holidays and Vacations

Instructional Staff are typically not expected to work on days that the School is closed for school vacations and holidays during the school year (generally August through May). However, on occasion, school leaders may require Instructional Staff to work on these days as part of their normal work duties and compensation. Leaders will provide as much advanced notice as possible. In either case, Instructional staff will continue to receive their normal salary during school vacations and holidays. School Leaders and Office Staff may also be required to work during holidays and school vacations during the school year (generally August through May) as part of their required duties and normal compensation. Supervisors determine the need for School Leaders and Office Staff presence or work during these times. All employees are required to work on Professional Development days as part of their normal duties.

B. Sick Days, Vacation Days and Personal Days

1. General Provisions: The School expects staff in attendance every day possible to provide what is needed for students and to model the same kind of commitment expected of students. All employees, including Staff Leaders, who come to work on campus but do not complete the work day will be required to document their absence. The School reserves the right to review the job performance implications of employees with excessive instances of arriving on campus but leaving before the end of the work day.

Because of the critical nature of being present in the school on scheduled days, employees are not allowed to utilize comp days to substitute work required to be done during a workday when school is in session. All employees who begin the Academic Year on staff have seven (7) sick days and three (3) personal days per

Academic Year. Employees hired after the start of the Academic Year have a prorated number of personal and sick days based on the timing of their first day of employment.

Sick days and personal days are available to be used once the school year begins, but they are earned over the ten months of the school year for non-12-month employees and are earned over 12 months for 12-month employees. Therefore, if an Employee is terminated or resigns before the year is over, sick/personal days will be reconciled in a manner proportional to the amount of time earned and excess days taken will be deducted from the Employee's check. For example, if an Employee uses all 10 of the allotted sick/personal days and then terminates after 5 months of the school year, that Employee's paycheck will be reduced by the equivalent of 50% of the Employee's allowable sick/personal days. By acknowledging receipt of this handbook, Employees authorize such deductions for vacations, sick/personal days used but not earned. Unused sick days or personal days will not be paid out upon termination.

Additional absences beyond those allowed for the Academic Year may result in per-day pay deductions which are calculated based on the number of school days and required professional development days when school is not in session. These overage days may be deducted at any time during the school year from the employee's check and typically will be adjusted on the December and June pay checks and certainly no later than the last 2 paychecks for the employee. These excess days may also lead to further consequences, up to and including termination.

Unused sick or personal days for Instructional Staff, School Leaders and Office Staff may roll over from year to year and may only be used for future sick days, care for an immediate family member who is sick, for time to bond with a newborn child or to bond with an adopted child beginning at the time a team member received custody of the child or for days missed when eligible for events as outlined by the FMLA. The School has the right to require written verification by a licensed physician whenever an employee asks to use sick days.

2. Vacation: School Leaders are to take vacations at the same times as student vacations during the Academic Year (i.e. Winter Break, Spring Break, etc.). School Leaders may be asked to work during student vacations or holidays to provide continuation of an effective school. School Leaders work during June and July and are expected to take summer vacations during designated periods and must have time out of the office approved by the appropriate supervisor and the Executive Director well in advance of the requested time off. On occasion, School Leaders may be allotted a minimum of one week of vacation during the summer term, on a rotating basis or as approved by a supervisor, to ensure that essential school office operations can continue in order to conclude the previous academic year and prepare for the upcoming academic year.

3. Sick Days and Bereavement: Sick days are allotted for days when staff members are sick and not for personal time off. Sick days may also be used to care for an immediate family member who is sick. For the purpose of this policy, immediate family includes: spouse, parent, child, sibling, in-law, aunt, uncle, niece, grandparent, grandchild, or members of household. Sick days may also be used for time to bond with a newborn child or to bond with an adopted child beginning at the time the employee receives custody of the child.

Two (2) of the allotted sick days per year may be used for bereavement purposes for an immediate family member as defined above. Employees seeking to use a sick day for bereavement should notify the Human Resource Specialist of this request before reporting the sick day in the system and be prepared to provide official documentation if requested.

If an employee needs to use a sick day, the employee should contact the Principal or their appointed designee with as much advanced notice as possible and must record his/her absence in the appropriate system. Any employee who is able to communicate an absence prior to the start of the workday but chooses not to do so may be subject to appropriate discipline. If an employee does not come to work or communicate with the appropriate staff for more than 24 hours, CEG may consider such employee to have abandoned his/her job.

A doctor's note or proof of illness may be requested from time to time as determined by the Executive Director or Human Resources Specialist. Employees who do not report to work because of illness or situations allowable under the sickness policy are not expected to work from home while sick. Employees who may be able to, or choose to, engage in some work from home will still be charged a full sick day, as they were not able to be fully present at work and fulfill their job duties completely.

4. Personal Days: Personal days are allotted for the rare occasions when a staff member must be somewhere else on a school day for reasons other than sickness. Doctor visits and other personal appointments should be scheduled after school or on holidays or on Free Fridays. Requests for a personal day should be made to the school level designee at least one week before the requested day off, unless the day off is a result of an emergency, and must be recorded in the appropriate recording system. Employees are expected to remain at the school until the end of each academic day. Supervisors may provide "black-out" periods where personal days are not allowed based upon the needs of the School. These blackout periods may include professional development days in the summer as well as professional development or testing days during the school year.

Careful consideration should be given to taking a personal day immediately preceding a holiday or school vacation, as the absence of adults prior to these times away from school create significant learning challenges for students in the building. Because the absence of many staff members before or after a holiday has such a negative impact on student achievement, personal days taken the day prior to or the day immediately following a holiday or break will require the use of one employee personal day and also be unpaid. Staff members who have used up all eligible personal days will not be allowed to miss the day before or after a school holiday without risking receiving a consequence, up to and including termination.

Because of the importance and uniqueness of full professional development days and MAP and TN Ready assessment days, personal days taken on a full professional development or MAP or TN Ready testing day will require the use of one employee personal day and also be unpaid. Staff members who have used up all eligible personal days will not be allowed to miss the professional development day without risking receiving a consequence, up to and including termination.

C. Leaves of Absence

1. Family and Medical Leave Act: CEG provides leave according to the Family and Medical Leave Act of 1993 (FMLA), which provides for unpaid, job-protected leave to covered employees in certain circumstances.

a. Eligibility:

To qualify for FMLA leave, you must: (1) have worked for CEG for at least 12 months, though it need not be consecutive; (2) worked at least 1,250 hours in the last 12 months; and (3) be employed at a work site that has 50 or more employees within 75 miles. If you have any questions about your eligibility for FMLA leave, please contact the human resources department

b. Leave Policy:

If eligible, you may take up to 12 or 26 weeks of family or medical leave, whichever is applicable (as explained below), within the relevant 12-month period defined below. While you are on FMLA leave, CEG will maintain your group health insurance coverage at the same level and under the same circumstances as when you were actively working, as explained more fully under the section titled, *Medical and Other Benefits*. Upon returning from approved FMLA leave, you have the right to be restored to the same job or an equivalent position, subject to the terms, limitations and exceptions provided by law.

c. Leave Entitlement:

You may take up to 12 weeks of unpaid FMLA leave in a 12-month period, which uses a "rolling" method that is measured backward from the date you use any FMLA leave for any of the following reasons:

- the birth of a son or daughter and in order to care for such son or daughter (leave to be completed within one year of the child's birth);

- the placement of a son or daughter with you for adoption or foster care and in order to care for the newly placed son or daughter (leave to be completed within one year of the child's placement);
- to care for a spouse, son, daughter or parent with a serious health condition;
- to care for your own serious health condition, which renders you unable to perform any of the essential functions of your position; or
- a qualifying exigency of a spouse, son, daughter or parent who is a military member on covered active duty or called to covered active duty status (or has been notified of an impending call or order to covered active duty).

You may take **up to 26 weeks** of unpaid FMLA leave in a single 12-month period, beginning on the first day that you take FMLA leave to care for a spouse, son, daughter or next of kin who is a covered service member and who has a serious injury or illness related to active duty service, as defined by the FMLA's regulations (known as military caregiver leave).

d. Both Spouses Employed by CEG

Spouses who are both employed by CEG and eligible for FMLA leave may be limited to a:

- Combined total of 12 weeks of leave during the 12-month period if leave is requested:
 - for the birth of a son or daughter and in order to care for such son or daughter;
 - for the placement of a son or daughter with the employee for adoption or foster care and in order to care for the newly placed son or daughter; or
 - to care for an employee's parent with a serious health condition.
- Combined total of 26 weeks in a single 12-month period if the leave is either for:
 - military caregiver leave; or
 - a combination of military caregiver leave and leave for other FMLA-qualifying reasons.

e. Notice of Leave

If your need for FMLA leave is foreseeable, you must give CEG at least 30 days' prior written notice. If this is not possible, you must at least give notice as soon as practicable (within one to two business days of learning of your need for leave). Failure to provide such notice may be grounds for delaying FMLA-protected leave, depending on the particular facts and circumstances.

Additionally, if you are planning a medical treatment or a series of treatments or you are taking military caregiver leave, you must consult with CEG first regarding the dates of such treatment to work out a schedule that best suits the needs of both the employee or the covered military member, if applicable, and CEG.

Where the need for leave is not foreseeable, you are expected to notify CEG within one to two business days of learning of your need for leave, except in extraordinary circumstances. CEG has Family and Medical Leave Act request forms available from the human resources department. Please submit a written request, using this form, when requesting leave.

f. Certification of Need for Leave

If you are requesting leave because of your own or a covered relation's serious health condition, you and the relevant health care provider must supply appropriate medical certification. You may obtain Medical Certification forms from the human resources department. When you request leave, CEG will notify you of the requirement for medical certification and when it is due (at least 15 days after you request leave). If you provide at least 30 days' notice of medical leave, you should also provide the medical certification before leave begins. Failure to provide requested medical certification in a timely manner may result in denial of FMLA-covered leave until it is provided.

CEG, at its expense, may require an examination by a second health care provider designated by CEG. If the second health care provider's opinion conflicts with the original medical certification, CEG, at its expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and

binding opinion. CEG may require subsequent medical recertification. Failure to provide requested certification within 15 days, if such is practicable, may result in delay of further leave until it is provided.

CEG also reserves the right to require certification from a covered military member's health care provider if you are requesting military caregiver leave and certification in connection with military exigency leave.

g. Reporting While on Leave

If you take leave because of your own serious health condition or to care for a covered relation, you must contact CEG at least once every two (2) weeks regarding the status of the condition and your intention to return to work. In addition, you must give notice as soon as practicable (within two business days if feasible) if the dates of leave change or are extended or initially were unknown.

h. Leave Is Unpaid

FMLA leave is unpaid. You may substitute any accrued and unused sick days/personal days for unpaid FMLA leave as described below:

- If you request leave because of a birth, adoption or foster care placement of a child, any accrued and unused sick/personal days' leave may be first be substituted for unpaid family/medical leave and run concurrently with your FMLA leave.
- If you request leave because of your own serious health condition, or to care for a covered relation with a serious health condition, any accrued paid vacation, personal leave/ sick leave may be substituted for any unpaid family/medical leave and run concurrently with your FMLA leave.

The substitution of paid leave time for unpaid FMLA leave time does not extend the 12 or 26 weeks (whichever is applicable) of the FMLA leave period. In no case, can the substitution of paid leave time for unpaid leave time result in your receipt of more than 100% of your salary. Your FMLA leave runs concurrently with other types of leave, for example, accrued vacation time that is substituted for unpaid FMLA leave and any state family leave laws, to the extent allowed by state law.

i. Medical and Other Benefits

During approved FMLA leave, CEG will maintain your health benefits as if you continued to be actively employed. If paid leave is substituted for unpaid FMLA leave, CEG will deduct your portion of the health plan premium as a regular payroll deduction. If your leave is unpaid, you must pay your portion of the premium through either early deduction from a paycheck or a monthly check. Your health care coverage will cease if your premium payment is more than 30 days late. If your payment is more than 15 days late, we will send you a letter to this effect. If we do not receive your premium payment within 15 days after the date of this letter, your coverage may cease. If you elect not to return to work for at least 30 calendar days at the end of the leave period, you will be required to reimburse CEG for the cost of the health benefit premiums paid by CEG for maintaining coverage during your unpaid leave, unless you cannot return to work because of a serious health condition or other circumstances beyond your control.

Employees or former employee who elect to continue to be covered by the organization's insurance plan after FMLA will need to enroll in COBRA per then existing COBRA requirements.

j. Intermittent and Reduced Schedule Leave

If medically necessary, FMLA leave occasioned by a serious health condition may be taken intermittently (in separate blocks of time due to a serious health condition) or on a reduced leave schedule (reducing the usual number of hours you work per workweek or workday). FMLA leave may also be taken intermittently or on a reduced leave schedule for a qualifying exigency relating to covered military service.

If leave is unpaid, CEG will reduce your salary based on the amount of time actually worked. In addition, while you are on an intermittent or reduced schedule leave, CEG may temporarily transfer you to an available alternative position that better accommodates your leave schedule and has equivalent pay and benefits.

k. Returning from Leave

If you take leave because of your own serious health condition (except if you are taking intermittent leave), you are required, as are all employees returning from other types of medical leave, to provide medical certification that you are fit to resume work. Otherwise, you will not be permitted to resume work until it is provided.

l. State or Local Family and Medical Leave Laws and Other Company Policies

Where state or local family and medical leave laws offer more protections or benefits to employees, the protections or benefits that are more favorable to the employee, as provided by such laws, will apply.

2. Military Leave: Employees serving in the U.S. Armed Forces or the National Guard are entitled to a military leave of absence. Upon receipt of notice, copies of your military orders should be submitted to your supervisor as soon as practicable. You will be granted leave for the period of your military service.

3. Jury Duty: Time-off will be granted for the duration of your jury duty. Please provide your jury duty summons to your supervisor as soon as possible so that proper arrangements can be made to cover in your absence. The court system will provide you with a fee for acting as a juror. You will be eligible for employee benefits as if you were actively employed during an approved jury duty.

4. General Provisions: You may not, under any circumstances, engage in other employment in a competitive business while on any kind of leave of absence, unless otherwise authorized by the School.

IV. EMPLOYEE BENEFITS AND STATUS

A. General: Full-time employees are eligible to receive benefits as defined in the Benefits Package.

B. Employee Status: All employees of the School will be classified as either full-time or part-time, and either exempt or non-exempt. The School may also hire consultants, and/or temporary employees.

- Full-time employees: Full time employees are those who are scheduled to work the full-academic year and who work no fewer than 30 hours per week. All full-time employees are eligible to participate in the School's benefits program. Full time employees may be "exempt" or "non-exempt" as defined below.
- Part-Time Employees: Part time employees are those who work fewer than 30 hours per week. Part-time employees are not eligible to participate in the School's benefits program.
- Exempt: Employees whose positions meet specific tests established by the Fair Labor Standards Act (FLSA) and state law and who are exempt from overtime pay requirements.
- Consultant: Consultants are independent contractors who work under a consultancy agreement. Consultants have no employee status, and are not eligible for benefits.
- Temporary Employee: Temporary employees are those employees whose employment with the School is for a limited period, generally not exceeding two academic quarters, or five months, whichever is greater. Temporary employees are not entitled to participate in the School's benefits program.
- Hourly Employee: Hourly employees work the schedule that is agreed upon at the time of employment. The School is entitled to change this schedule as needed. Hourly employees may or may not be entitled to receive all or part of the School's employee benefits.

Leased employees, independent contractors and freelancers are not employees of the School and are not entitled to any benefits.

If you change positions during your employment as a result of a promotion, transfer or otherwise, you will be informed by the Executive Director of any change in your exemption status. Please direct any questions regarding your employment classification or exemption status to the Executive Director.

C. Workers Compensation:

All injuries suffered on the job, no matter how minor, must be reported immediately to your supervisor. If an employee suffers a serious work-related injury, the employee should contact the Executive Director who will assist the employee to obtain the worker's compensation insurance forms.

Many thanks to Up Academy Charter School of Boston for providing the framework for this document.

ACKNOWLEDGMENT OF RECEIPT OF EMPLOYEE HANDBOOK

This Employee Handbook covers employees who work for Capstone Education Group, referred to throughout this Handbook as “CEG” or “School.”

I hereby acknowledge receipt of Capstone Education Group’s Employee Handbook, which outlines the current personnel policies of the School. I understand that the information contained in the Handbook represents guidelines only, and that the School has the maximum discretion permitted by law to interpret, administer, change, modify, or delete the rules, regulations, procedures, and benefits contained in the Handbook at any time with or without prior notice. I also understand that any delay or failure by CEG to enforce any rule, regulation, or procedure contained in the Handbook will not constitute a waiver of CEG’s right to do so in the future.

I understand that neither this Handbook nor any other communication by a School representative or any other employee, whether oral or written, is intended in any way to create a contract of employment. I understand that, unless I have a written employment agreement signed by an authorized CEG representative, I am employed at will and this Handbook does not modify my at-will employment status.

I understand and agree that I am to familiarize myself with the contents of this handbook. According to the terms and conditions of employment, I agree to abide by School rules and policies as stated herein or as amended. I understand that I can ask my supervisor at any time for further information on any subject contained in this Handbook.

Please sign and return to the Human Resource Specialist.

Employee’s Signature

Print Employee’s Name

Date



The Crichton Group

www.cbjw.net

3/20/2018

Capstone Education Group
Memphis, TN

RE: Charter School Insurance Coverage

To whom it may concern:

The Crichton Group is pleased to provide Proof of Coverage for Capstone Education through Cincinnati Insurance Companies.

- General Liability - \$1,000,000 per Occurrence / \$2,000,000 Aggregate
 - Educator's Legal Liability - \$1,000,000 per Occurrence / \$2,000,000 Aggregate
 - Sexual Abuse Liability \$1,000,000 per Occurrence / \$2,000,000 Aggregate
 - Workers Compensation – Statutory Limits
 - Automobile – Liability Coverage, Comprehensive and Collision per schedule of vehicles.
 - Umbrella - \$5,000,000 Covers over above Liability Limits
- **The Crichton Group and Cincinnati Insurance Companies will provide the required insurance coverage upon approval of the charter application.**
- **Insurance provider will notify department of education within 10 days of the cancellation of any insurance it carries for Capstone Education.**

Rob Sentell
Director of Social Services
The Crichton Group
rsentell@thecrichtongroup.com

Attachment K

There are no plans to use a CMO at this time.



Attachment L1

Cornerstone Prep - Denver
a Capstone Education Group school
cornerstoneprepmemphis.org

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Date of Report: August 15, 2019



Introduction

Capstone Education Group, Inc. (CEG), a Memphis-based 501c3 incorporated organization, was incorporated in 2012 to manage and lead charter schools. CEG currently runs three neighborhood public charter schools that have historically been ranked in the bottom 5% of schools in Tennessee and are located in two areas of high poverty in Memphis: Cornerstone Prep - Lester and Lester Prep, located at 320 Carpenter in Binghampton, and Cornerstone Prep - Denver, located at 1940 Frayser Blvd in Frayser. CEG began serving students in these neighborhoods as part of a transformation strategy for the lowest performing schools in Memphis authorized by the Achievement School District.

CEG exists to provide a quality, college preparatory education to low-income families in Memphis to prepare them for a life of leadership in their community. The mission statement outlines this desire: CEG equips all students with the wisdom and knowledge necessary to succeed in college and to become leaders in their community. More information about the mission and three schools can be found at the organization's website:

<http://www.cornerstoneprepmemphis.org/>

CEG invests heavily in supporting the students and their families, both inside and outside of the classroom. CEG believes that the of Memphis becomes stronger when its individual communities become healthier and therefore works hard to make its schools the center of a community redevelopment strategy that improves both the lives of the students and the community in which they live.

CEG develops significant relationships with organizations that can provide wrap around or supports services in addition to the education provided in the classroom. For example, in Binghampton, CEG partners with the Binghampton Development Corporation, Service Over Self, Communities in Schools, Christ Community Health Services, Agape North, Le Bonheur, and various local churches to meet housing, job training, neighborhood watch, counseling and parenting support. This approach makes CEG a unique organization in the city.

CEG utilizes an approach like many high performing schools serving urban children, most of which are in the northeastern United States. The CEG founder, Drew Sippel, was trained by Building Excellent Schools, a national nonprofit organization committed to improving the academic achievement of underserved students in the nation's urban centers.

Recent Success

Cornerstone Prep - Denver's mission is to equip all students with the Wisdom and Knowledge necessary to succeed in college and to become leaders in their community. The school is happy to report that it is on track to fulfill its mission as evidenced by the following results:

- Cornerstone Prep - Denver was the highest performing school in the District in 2019
- 9 point gains in proficiency over the prior year were seen in Math in 2019
- Students enjoyed a composite score of 5, the highest possible composite score on the Tennessee Value-Added Assessment System (TVAAS) in back to back years



- In 2018, Cornerstone Prep - Denver had the second highest proficiency rate in Math in our District, second only to another CEG school
- Cornerstone Prep - Denver had double digit gains in proficiency in Math from the prior year in 2018
- Students enjoyed their highest academic growth ever on NWEA-MAP for two years in a row, meeting or exceeding prior grade level growth in four out of four subjects

School Information

Cornerstone Prep - Denver (CPD) was authorized by the Achievement School District in 2015 as a full school transformation of a previously failing school. CPD first opened in the 2015-16 school year serving grades Pre-Kindergarten through the 5th grade. Currently, CPD is in its fourth year of operation and continues serve Pre-Kindergarten through the 5th grade students over 175 school days with hours of:

Monday - Thursday: 7:15AM - 3:45PM

Friday: 7:15AM - 2:15PM

CPD is on track to meet the projected enrollment for the 2019-20 school year. The current enrollment on August 15, 2019, the 4th day of the school year, is 485. This enrollment number shows CPD is on track to meet the projected enrollment of 600 students and is within the school's charter enrollment allowance.

Leadership

Jay Harvill

Chairman of the Board

Capstone Education Group

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jharvill@cornerstoneprepmemphis.org

Michelle Lyons

Principal

Cornerstone Prep - Denver

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Section 1 - Progress towards the charter school's goals

Cornerstone Prep - Denver is meeting expectations related to the goals outlined in the current charter agreement. These goals were agreed upon by the school and are in alignment with our chartering authorities school performance framework. The progress towards and attainment of the goals in specific are discussed below.

Get off the Tennessee School Priority List



Cornerstone Prep - Denver is off the Priority List. Based on data from 2019 TNReady and communication from TDOE, Cornerstone Prep - Denver has received the designation of Priority List Exiting by receiving TVAAS 4 or 5 in each accountability subject and composite for two years in a row.

Earn a TVAAS 3,4 or 5

Cornerstone Prep - Denver has received a TVAAS 4 or 5 in each accountability subject and composite for two years in a row.

Cornerstone Prep - Denver TVAAS		
Subject	2017-18	2018-19
ELA	5	5
Math	5	4
Science	5	
Composite	5	5

Attain above average student growth on MAP

The Measure of Academic Progress (MAP) is nationally normed assessment that is created and scored by Northwest Evaluation Association (NWEA). Cornerstone Prep – Denver made significant progress towards meeting the ambitious goal of exceeding the average of 1.0 years of growth on the MAP assessment. CPD students enjoyed their highest academic growth ever, meeting or exceeding all prior years grade level growth in four out of four subjects. The table below details the breakdown of growth (in grade level equivalents) achieved by CPD students over one academic year.

2017-18 MAP Grade Level Growth	
Mathematics	2.1
Reading	1.4
Language	1.4
Science	1.7
Average	1.7



The following highlights of the data show additional success and significant progress towards the goal as well as trends that can be scaled across the entire school in the coming school year.

- The entire school average 2.1 years growth in one academic year in Math
- Auburn, a 5th Grade homeroom at CPD, grew 3.6 grade levels in Math and 2.3 grade levels in Science
- Utah, a 1st Grade homeroom at CPD, grew 3.0 grade levels in Math and 1.8 grade levels in reading

Improved attendance

Cornerstone Prep - Denver continues to make progress towards the goal of lowering chronic absenteeism. As noted in prior reports, Cornerstone Prep - Denver had their lowest ever rate of chronic absenteeism in the 2017-18 school year. While the 2018-19 number did increase, it is still significantly lower than the chronic absenteeism rate in the first year of operation. Root cause analysis has been conducted and an internal plan of action is in place to ensure chronic absenteeism continues on the downward trajectory. The table below represents attendance rate by grade level for CPD in the 2018-19 school year.

2017-18 Attendance Rates	
Kindergarten	89%
1st Grade	89%
2nd Grade	90%
3rd Grade	90%
4th Grade	88%
5th Grade	89%
Average	89%

Cornerstone Prep - Denver will continue to partner with Community In School (CIS) for the 2019-20 school year to reduce absenteeism at the school. Additionally the following attendance intervention plan is in place to help ensure that parents and students are notified when absences begin to accumulate.

- For each absence and tardy a phone call home is made notifying the parent or guardian of the absence.
- The principal makes a phone call to all students who have 2 excused or unexcused absences in a month.



- At 3 and 4 unexcused absences, a district letter is sent home outlining the importance of school attendance and future consequences should absences continue to increase.
- An appointment letter is sent home with the 5th unexcused absences requiring a meeting between the school and the parent or guardian to develop an Attendance Intervention Plan.
- When a student has 7 unexcused absences, a letter from the District Attorney is sent home further explaining the importance of attendance and possible future consequences
- At 9 unexcused absences the Principal calls and sends home a letter notifying the parent on the next unexcused absence a DCS referral for truancy will be filed.
- On the 10th unexcused absence a DCS referral for truancy is filed.
- CIS proactively and continually works a caseload of the highest risk students to ensure any barriers to school attendance are reduced as much as possible.

Enrollment

Cornerstone Prep - Denver seeks to provide high quality seats to support increased options for students in Memphis. CPD is pleased to report that during the 2018-19 school year the average membership for Pre-K to 5th grade was 620 students, 600 students Kindergarten to 5th grade. CPD has therefore met the enrollment goal in the current charter agreement.

Section II - Student Mobility

Cornerstone Prep - Denver serves the Frayser neighborhood, covered primarily by the 38127 zip code in Memphis. The community has historically been a highly transient population. This can be seen from the most recent US Census where 46% of household units in the neighborhood are renter-occupied which directly contributes to the 80% of student exits at CPD that are due to moving out of zone.

Transfer Reason	Number of Students
Family choice	5
Moved	66
No reason indicated	9
Transportation	3
Total	83

Further information on the mobility and attrition of students at Cornerstone Prep - Denver can be found in the below table.



School	10/1/2018 Enrollment	Ending Enrollment	Entries	Exits	All Movement	Attrition	Mobility Rate	Attrition Rate
Cornerstone Prep - Denver	619	643	107	83	190	24	30%	4%

Through the partnership with Community In School (CIS), Cornerstone Prep - Denver seeks to support all of its students with wrap-around services that help to reduce any barriers to attending CPD. CPD will continue to work with families in every possible capacity to encourage year-long student attendance. CPD will continue to listen to parent concerns and develop an action plan to resolve any concerns that the school or its partners can address.

Section III - Operations and Finance

Cornerstone Prep - Denver has proven to be financially and operationally viable since its inception. Attached are the most recent audit results for the entire organization. In 2018-2019, Cornerstone Prep - Denver ended the year with a positive net cash flow.

As noted in the attached audits, CEG operates its schools with a high level of financial and operational success and accountability. CEG recognizes the importance of using funds wisely and therefore requires strict accountability and efficiency in running its schools. CEG’s financial and operational results prove that the organization can adjust to changes in enrollment, student needs, political environment and BEP changes.

Section IV - Leadership Changes

CPD proudly shares that 100% of the school leadership team hired last year returned for the 2019-2020 school year. The leaders brought significant school experience to the school, as noted by the following highlights:

- Former school leadership in principal, assistant principal and teacher coaching roles
- 4 years of experience leading a school in CPD’s neighborhood, Frayser
- 8 years of experience in setting school culture in urban settings
- 4 years of experience serving in the school district, the ASD
- More than 10 years of experience in charter school leadership

The leadership team translated their extensive, relevant experience in transforming a neighborhood school into an effective school culture for both adults and students. The team connected very well to the parents and community, meeting frequently with both groups and working with these groups to build the school culture. The leadership team



identified the largest learning gaps in scholars and adjusted the schedule, instruction and small group systems to improve learning outcomes throughout the school.

The academic and leading indicator data reviewed during the most recent needs assessment provided consistent evidence in all areas that the new leadership team produced the improvement across the school. The new team led students to increased achievement in every single subject on TNReady and MAP, led parents to the highest satisfaction levels ever as indicated by parent surveys and improved leading indicators such as suspensions, remands and demerits issued.

Section V - Parent and Community Involvement

Cornerstone Prep - Denver believes that the involvement of parents and community members is critical to the success of the students; therefore, we create a variety of opportunities for all stakeholders to be involved in the education of children in our schools. We share academic goals at the start of each year and keep them in front of students and parents throughout, including regular reports on progress towards goals.

Parental Involvement Policy

CPD involves parents of students through planning, review, and improvement of programs and services. This process begins with a TSIP meeting where parents answer a series of questions as well as provide feedback on how things are currently working at the school as well as a possible area of improvement. Based on that input, the Title I plans and budget are prepared and approved. Then, during parent council meetings, Title I meetings and the bi-annual survey, parents are encouraged to provide feedback on how things are working.

One example of a policy that was impacted by parental involvement was the frequency with which we report academic progress to families. It was noted in our bi-annual parents' survey that parents felt they did not know enough about how their students were doing in class, in between progress reports and report cards. We worked together with them to answer this felt need which resulted in the creation of a Bi-Weekly Grade Update to parents becoming a part of our regular practice. Feedback from this change has been very positive, both parents being heard and increasing lines of communication between parents and teachers, on academics.

Parental Involvement Annual Meeting

To encourage attendance to our annual Title 1 meeting, the schools offer dinner for families that evening, offers jeans passes for students to "dress down" the following day for school if parents attend and holds the meeting prior to Open House festivities. We have found all of these things increase the number of parents who attend this annual meeting.

The school communicates via weekly parent newsletters placed in every child's homework folder, the parent bulletin board, parent teacher conferences, the grade level curriculum meeting held in the fall, report cards, returned daily and weekly assessments, signed daily homework, Prepster paychecks, MAP, TCAP and TNREADY score/summary and growth reports, and through regular communications with the School Leader or staff member.

Parental Involvement Shared Responsibility

The annual TISP meeting provides CPD an opportunity to seek feedback and ideas from parents and seek their assistance in planning for programs that will impact students and school communities. At that meeting parents answer a series of



questions as well as provide feedback on how things are currently working at the school as well as possible areas of improvement. Based on that input, the Title I plans and budget are prepared and approved.

CPD requires all parents to sign a Parent-Student Compact during registration which outlines their parental involvement policy. There are numerous opportunities for parents and the school to work together in addition to the original compact. The school communicates via weekly parent newsletters placed in every child's homework folder, the parent bulletin board, parent teacher conferences, the grade level curriculum meeting held in the fall, report cards, returned daily and weekly assessments, signed daily homework, Prepster paychecks, MAP, TCAP and TNREADY scores, and through regular communications with the School Leader or staff member.

Title I information is provided during the annual Title I meeting. At this meeting, CPD informs parents of all supplemental educational services that Title 1 funds provide for students such as extended school day, additional professional development for staff, during and after school tutoring, small group instruction, reteach, computer literacy, technology, co-teacher model, paraprofessionals, behavioral interventionists, and various reading and math supplemental curriculum.

Parents are encouraged to help with Friday celebrations, making copies, helping with arrival and dismissal, after school activities, or supporting teachers on certain projects. In their Family Handbook, Cornerstone and Lester Prep Schools state in their discipline policy that they are a safe and drug-free school. The Family Handbook also contains information to all parents regarding their rights covered under FERPA.

Parental Involvement Capacity Building

CPD schedules multiple parent engagement opportunities that are listed as part of the school calendar. These events include such things as:

1. Annual Title 1 Meeting
2. Literacy Night
3. Math Night
4. Black History Night Program
5. Annual ELL Family Connection Night
6. Donuts with Dads and Muffins with Moms
7. Principal Coffees
8. Monthly Character Celebrations
9. Quarterly honors programs
10. Parent training events/classes
11. Graduation Night for PreK, K, 5th grade
12. TSIP Meetings
13. Multiple volunteer opportunities throughout the year

CPD receives a state report card, that shows whether the school has been identified for school improvement, how our students achieved on the TCAP and TNReady and other indicators of adequate yearly progress compare to those in the district and the state as a whole. At the time of this report, the State Report card was not updated with 2018-19 data. Some highlights of the most recent report card include:

- 4 out of 4 on chronic absenteeism



- 4 out of 4 on academic growth

Funding for Parent and Family engagement comes through Title I and the use of BEP funds. 1% of Title I funds have been budgeted to use for parent/community engagement. Title I funds will be used to provide resources to parents, including books to take home and read with their children on Literacy Night and providing dinner to entice families to attend Family Literacy night and the Parent training events. All events are inclusive of all student populations including our economically disadvantaged, ELLs and students with disabilities.

CPD gives home language surveys to all enrolled students and has informed all parents of students who are classified as English Language Learners of the academic program they are receiving with our ESL teacher. Last year there were no ELL students identified at the school.

If a parent requests the information, CPD will include at least whether the teacher has met state qualifications and licensing criteria for the grade levels and subject areas taught; whether the teacher is teaching under emergency or other provisional status; the baccalaureate degree major of the teacher and any other graduate certification. The information must also disclose whether the child is provided services by paraprofessionals, and if so, their qualifications.

CPD will also give timely notice that the parent's child has been assigned or has been taught for four or more consecutive weeks by a teacher who is not highly qualified.

CPD has three weeks of professional development for teachers each summer. The first week of training is held for new staff only and includes multiple sessions to inform teachers of the programs provided through Title 1 services, getting to know the communities where the schools are operated, and strategies for engaging with parents, families and the community. In the two weeks of time with all returning staff, these topics are revisited as refreshers and community partners come to share with staff what is happening in the neighborhood and how their agencies are partnering with families, students and our schools. Our school Blueprint outlines teacher expectations for parent and family engagement throughout the year which includes one positive family contact in first two weeks of school, bi-weekly grade updates to families, and always being available to answer any parental concerns or have meetings with them as requested.

Section VI - Promising Practices

Strong Leadership

A committed and strong leader is able to organize and lead staff toward a shared vision of success and put structures, resources, and personnel in place to rapidly improve the school. Compared to more traditional models, Cornerstone Prep - Denver increases the distribution of leadership among teachers and staff to build a strong commitment to and ownership of the continued school turnaround. Teacher and staff leaders have partnered with the school leadership team to increase the number of leaders at the school and to increase the impact on student achievement. The school leaders include teachers and non-instructional staff with varying degrees of experience, grades taught and responsibilities. Specifically, this includes:

- 100% returning school leadership team consisting of the principal, assistant principal, director of instruction and assistant principal of operations
- A founding teacher who has become a critical teacher leader during the last 3 years
- Returning staff in critical parent interactive positions
- Community in Schools staff member

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- The CEG leader in special education
- Non-instructional staff including a front desk administrative specialist, Data and human resource experts
- Teachers in a wide range of grades and subject taught

CPD distributes ownership across the organization, empowering teachers, support staff and community partners to lead in the school's continued turnaround efforts. Specific examples include teachers working collaboratively to design curriculum and assessments as part of a teacher-leader role known as CART (Curriculum and Assessment Review Team). Child study teams (Counselors, behavior team members, school psychologists, parents, special education and general education and teachers) also work together to design effective plans for students, including individual behavior and learning plans. A Parent Advisory Committee meets throughout the school year to assess the strengths and weaknesses of the school and provide valued input. Community in School team members communicate with office staff, school leaders, parents, counselors and the behavior team to help the 60 families and students who struggle most in attendance, behavior or achievement. Self-nominated teacher-leaders also meet once per month with the principal to discuss the needs of students, families and staff as part of the Teacher Advisory Team.

Teachers, staff, community partners and parents must meet defined criteria to serve as school leaders:

- CART members must be interviewed and approved by the Director of Academic Achievement and demonstrate ability to meet deadlines, exhibit a growth mindset, be solutions oriented, and be willing to work after school in the summer, fall and spring.
- Child Study Team members must be active participants in the academic, behavioral or emotional life of the student and available to meet as needed
- Community in Schools staff interview with the CIS interview team and the CPD Principal, Assistant Principal of Operations and Manager of Business Information and Systems and must be experienced in urban students and family work and collaborate well with the school and community
- The Teacher Advisory Team members self-nominate but must exhibit buy-into consistently using data to identify the needs of students and be willing to seek solutions to identified opportunities for improvement
- Parent Advisory Committee members must commit to consistent attendance at meetings throughout the year
- All parents can submit their ideas through parent surveys, the parent committee or through speaking with any CPD staff member

Monitor Short- and Long-Term Goals

CPD uses Gantt charts, a comprehensive assessment strategy and a school culture data tracking system to closely monitor the progress of the implementation of strategies and action steps and to intervene in the event strategies or practices are not working as necessary to maximize student learning and achievement. This approach truly makes CPD a data-driven school that can track the effectiveness of the school's strategic plan.

CPD monitors the progress of the implementation of strategies and action steps by tracking both the adult actions and student outcomes. CPD monitors adult actions using a Gantt chart. The Gantt chart is a bar chart that illustrates the school's strategic plan schedule based on the information found in this document and subsequently added by the school leaders. The chart identifies the tasks to be performed on the vertical axis, and time intervals and due dates on the horizontal axis. The Director of Operational Systems, Data and Technology creates and owns the chart while the



Executive Director and Principal will own the successful execution of the items listed on the chart. The Executive Director conducts meetings twice per month to review progress made on each task found on the chart, looking both at short-term and long-term goals and strategies. The review of this chart provides evidence that the adults are meeting expected deadlines and commitments. Any deadlines missed require an explanation from the responsible person and a revised completion date.

Student outcomes as described in the school's strategic plan will be measured by the comprehensive assessment strategy and school culture data tracking system. The comprehensive assessment strategy contains 5 elements:

1. Instruction
2. Assessment
3. Analysis
4. Reteach
5. Reassess

Instruction and planning are closely monitored and evaluated for rigor and execution daily by school leaders according to the CEG Blueprint. In addition, a thorough Data Driven Instruction (DDI) protocol is followed to ensure root causes are addressed and students are progressing towards meeting the school's long-term and short-term goals. These are monitored each Friday for alignment with the plans and strategies in the school's strategic plan.

Student outcomes are reviewed daily, weekly and every 9 weeks. Daily, student exit tickets are reviewed for class-wide trends of the most missed skill and then reviewed the next day to ensure student mastery. Progress of these exit tickets is tracked and measured by teachers and leaders. Weekly, assessments called Show What You Know quizzes (SWYK) are administered and tracked through the Illuminate Data and Assessment tool. Re-teach assessments are also administered, based on data analysis from the original assessment, to give another opportunity for students to demonstrate mastery after being retaught the material. During weekly data meetings, teachers and leaders collaboratively analyze data by student. This data is then used to gauge relative performance and adjust instruction or curriculum, or the school's strategic plan as needed. Having both a large scale and a smaller weekly/daily data cycle is necessary to identify root causes so instruction and strategies can be adjusted according to the needs identified in the data.

Illuminate Data and Assessment online application and assessment bank is the primary tool used to both create and analyze weekly quizzes, re-teach assessments, and quarterly interims. The assessment bank built into Illuminate allows for leaders to ensure all questions are rigorous, robust, and aligned to the appropriate standard on the school curriculum map and will lead to the accomplishment of the School Turnaround goals.

CPD believes the comprehensive assessment strategy described above equips staff to consistently measure performance and progress towards achieving the overarching three-year goal, as well as subsequent smaller goals. Any significant variances from the goals in student achievement data require an explanation from the teacher and Dean of Instruction. The school leaders review the data the week following the miss to look for improvements or to determine if a practice or strategy is not working and needs to be adjusted.



CPD tracks the effectiveness of the school’s strategic plan related to student supports through the School Culture Data Tracking System, which provides both leading indicators and behavioral data. CPD tracks and monitors the School Turnaround goals through an online application called Live School that allows for detailed reporting with full visibility on progress towards goals. Live School provides up to the minute tracking of student behavior and well as reporting of large-scale trends. The school leaders monitor the effectiveness of the implementation of strategies and action steps and intervene immediately when necessary.

The school leaders use Live School to track the following leading indicators:

1. Merits and Demerits
2. Referrals
3. Detentions
4. Suspension

Merits and demerits are monitored in the moment using the Live School timeline feature. This allows for an immediate student restorative conversation and teacher coaching when necessary. This maximizes student time in class and minimize the need for more drastic inventions. The goal is for all students to earn the Friday celebration which based on the number of merits and demerits a student earns. Quarterly incentive parties can also be earned by students who consistently demonstrate CPD’s character traits.

Referrals, detentions, and suspensions are earned by varying degrees of student behavior. That data will be reviewed by the school leaders and Dean of Culture to ensure the strategies are working or if not, to coordinate a revised plan with relevant case managers, other school leaders, and classroom teachers.

CPD believes the School Culture Data Tracking System described above equips students, teachers, and leaders to consistently measure performance, identify root causes, and measure progress towards achieving behavioral and school culture goals that directly support the achievement of academic goals. Furthermore, teachers and leaders also have the information available to adjust interventions, create behavior plans and school wide systems as needed to best ensure students meet their academic and behavioral goals.

In summary, the regular data reviews of academic data, leading indicators and behavior data (daily, weekly, bi-weekly, monthly and quarterly) provide numerous opportunities for school leaders to intervene when data reflects that the strategies and practices are not working. If the team identifies strategies that need to be adjusted, the team gathers and discusses the best option for adjusting the plan moving forward and then immediately implements those revised plans, adjusting the Gantt chart and any related goals.

Provide High Quality Teacher Development and Training

The single biggest need identified in the most recent needs assessment was increased teacher development and training. Evidenced based research reveals that building the capacity of teachers leads to successful school turnaround results. The book “Leverage Leadership,” written by Paul Bambrick-Santoyo and based on successful urban charter



schools around the country, states “Low socioeconomic schools that can offer students 3 consecutive years of strong teaching close the achievement gap, correcting for a host of external factors.” Therefore, CPD needs effective teachers in every class and every grade to ensure all students are truly on track for college.

CPD utilizes a Dean of Instruction to provide coaching and feedback for ongoing support to improve instruction. The dean focused on improving the instruction for CPD teachers in many ways, including:

- Developing teachers through live coaching, modeling, regular in-class observation of practice and feedback, spending 70% of time in classrooms on teacher development across multiple grade levels.
- Creating and leading professional development sessions for individual, small group and whole staff with a focus on practice to include: 2-3 weeks of Professional Development during Summer, all scheduled Professional Development Days during the school year, practice sessions before and after school, and during teacher planning periods.
- Ensuring alignment to curriculum and fidelity to the academic model including reviewing teacher plans, organizing books and materials, participating in curriculum audits and providing additional training as needed.
- Regularly collaborating with teachers on grade level planning and data meetings designed to create action plans based on the data and ensure 1.5 grade level growth of students.

The Director of Academic Achievement, Director of Schools and Principal work together to equip the Dean of Instruction with the skills and knowledge necessary to effectively coach teachers on the dean’s caseload. The dean records observations in the observation tracker based on the CEG blueprint and teacher rubric, and meets regularly with teachers to help them improve their craft. The dean reviews daily exit tickets, weekly Show What You Know Data and interim results to monitor the progress of students and the effectiveness of the teacher. The teacher and coach are held accountable for year-end goals around NWEA MAP assessment and TNReady results.

Purposeful Planning

The purpose of planning is to ensure teachers have mastered the content knowledge necessary for instruction and thought through the most critical aspects of planning for a lesson. Purposeful planning ensures that teachers understand the big ideas of the unit, the long term goals for their students as well as the individual aspects of the lesson and how their student data impacts lesson delivery. Therefore, purposeful planning assumes teachers engage in robust unit unpacking, intellectual prep, lesson execution practice, and looking at student work as part of their regular preparation and development.

Planning is critical to successful execution. We can’t have great instruction or great results without a plan. In order to address the three aspects of the instructional core listed in the introduction teachers must spend a considerable amount of time planning and preparing for instruction. Each part of the purposeful planning process is designed to ensure that teachers are prepared to deliver lessons that meet all three aspects of the instructional core.

Unit/Module Unpacking: This process enables teachers to understand the flow of the unit and the key points for assessment in order to adjust instruction as well as identify and plan strategies to address the key prerequisite skill gaps that scholars may have coming into this unit and the potential misconceptions they may develop.



Intellectual Prep Process (IPP): This process enables teachers to internalize the content of their daily lessons. This process focuses on unpacking the standards and aligning the rigor of the task to the standard while also planning necessary adjustments to scaffold the lesson and meet students needs.

Action Steps

Cornerstone Prep - Denver is pleased with the growth in academic success that it has achieved during the 2018-19 school year. CPD will continue to be faithful to the mission of equipping all students with the wisdom and knowledge necessary to succeed in college and to become leaders in their community. CPD expects to build upon the growth from the last school year to accomplish the mission even more effectively. Therefore, CPD will take the following action steps that are in alignment with the promising practices outlined above.

Strong Leadership

1. Communicate to parents, staff and partners about the opportunities to increase their leadership voice at Cornerstone Prep - Denver with written criteria for selection
2. Gather all school leaders to review the school's strategic plan and be trained in evidence-based best practices
3. Convene teachers and leaders to review the effectiveness of the first and second quarters and prepare plans based on identified needs for the third quarter
4. Review Community in Schools Quarter 1 caseload report
5. Update parents, staff and community and enlist their support
6. Gather school leaders for update on progress

Monitor Short- and Long-Term Goals

1. Create Gantt Chart
2. Conduct bi-weekly Gantt Chart review meetings
3. Create weekly quizzes and quarterly interim assessments to measure progress towards the school strategic plan
4. Analyze weekly quizzes and quarterly assessments
5. Record and analyze leading culture and behavior data
6. End of Year data review and adjustment. Trends for students and teachers are analyzed, root causes identified, and a revised plan created for upcoming school year

Provide High Quality Teacher Development and Training

1. Train Dean of Instruction on critical curriculum, assessments and coaching tools
2. Observe school leaders providing coaching and feedback
3. Assign Dean of Instruction a caseload of teachers
4. Model coaching and observation feedback loop
5. Conduct weekly data meeting and planning sessions with teachers, Dean of Instruction and Director of Academic Achievement
6. Provide bonus incentives for teachers, Dean of Instruction and Principal based on student achievement

Purposeful Planning

All steps are completed by teachers under the guidance of the Dean of Instruction and Principal

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1. Backwards plan from the upcoming assessment
2. Develop core instruction with Lesson Plan annotation and material creation
3. Plans ways to differentiate instruction
4. Analyze weekly data to determine trends and perform root cause analysis

As evidenced in this report and the attached financial audit, Cornerstone Prep - Denver has been effectively governed, the school is fiscally sound, has made significant progress towards academic goals, and has satisfactorily met its legal requirements. Capstone Education Group and Cornerstone Prep - Denver believe if the school's charter is renewed its plans for the next charter are likely to be achieved.



Attachment L2

Lester Prep
a Capstone Education Group school
cornerstoneprepmemphis.org

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Date of Report: August 15, 2019



Introduction

Capstone Education Group, Inc. (CEG), a Memphis-based 501c3 incorporated organization, was incorporated in 2012 to manage and lead charter schools. CEG currently runs three neighborhood public charter schools that have historically been ranked in the bottom 5% of schools in Tennessee and are located in two areas of high poverty in Memphis: Lester Prep and Lester Prep, located at 320 Carpenter in Binghampton, and Cornerstone Prep - Denver, located at 1940 Frayser Blvd in Frayser. CEG began serving students in these neighborhoods as part of a transformation strategy for the lowest performing schools in Memphis authorized by the Achievement School District.

CEG exists to provide a quality, college preparatory education to low-income families in Memphis to prepare them for a life of leadership in their community. The mission statement outlines this desire: CEG equips all students with the wisdom and knowledge necessary to succeed in college and to become leaders in their community. More information about the mission and three schools can be found at the organization's website:

<http://www.cornerstoneprepmemphis.org/>

CEG invests heavily in supporting the students and their families, both inside and outside of the classroom. CEG believes that the of Memphis becomes stronger when its individual communities become healthier and therefore works hard to make its schools the center of a community redevelopment strategy that improves both the lives of the students and the community in which they live.

CEG develops significant relationships with organizations that can provide wrap around or support services in addition to the education provided in the classroom. For example, in Binghampton, CEG partners with the Binghampton Development Corporation, Service Over Self, Communities in Schools, Christ Community Health Services, Agape North, Le Bonheur, and various local churches to meet housing, job training, neighborhood watch, counseling and parenting support. This approach makes CEG a unique organization in the city.

CEG utilizes an approach like many high performing schools serving urban children, most of which are in the northeastern United States. The CEG founder, Drew Sippel, was trained by Building Excellent Schools, a national nonprofit organization committed to improving the academic achievement of underserved students in the nation's urban centers.

Recent Success

Lester Prep's mission is to equip all students with the Wisdom and Knowledge necessary to succeed in college and to become leaders in their community. The school is happy to report that it is on track to fulfill its mission as evidenced by the following results:

- Lester Prep was the only school in the District to be identified as a TVAAS Level 5 school on TN Ready 3 consecutive years
- Lester Prep has averaged 1.6 grade levels of growth per year, over 5 years, as measured by NWEA's MAP assessment
- Lester Prep was the highest performing school in the district on Reading grade level growth in 2015-16

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- In 2018-19, Lester Prep was the highest performing middle school in the District

School Information

Lester Prep (LP) was authorized by the Achievement School District in 2014 as a school transformation of a previously failing school. LP first opened in the 2014-15 school year serving 6th grade students. Currently, LP is in its fifth year of operation and serves 6th - 8th grade students over 175 school days with hours of:

Monday - Thursday: 7:00AM - 3:30PM

Friday: 7:00AM - 2:00PM

Lester Prep is on track to meet the projected enrollment for the 2019-20 school year. The current enrollment on August 15, 2019, the 4th day of the school year, is 215. This enrollment number shows LP is on track to meet the projected enrollment of 247 students and is within the school's charter enrollment allowance.

Leadership

Jay Harvill

Chairman of the Board

Capstone Education Group

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Section 1 - Progress towards the charter school's goals

Lester Prep is meeting expectations related to the goals outlined in the current charter agreement. These goals were agreed upon by the school and are in alignment with our chartering authorities school performance framework. The progress towards and attainment of the goals in specific are discussed below.

Get off the Tennessee School Priority List

Lester Prep is no longer on the Tennessee School Priority List. Priority schools are the 5 percent of schools with the lowest success rates (using up to three years of data) in the state. Because of TN Ready testing concerns and other issues, TDOE chose not to identify new Priority schools in 2017. Furthermore, Lester Prep has qualified for priority exit status through achieving a TVAAS 4 or 5 in each accountability subject in the prior two years (2017-18, 2018-19).

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Earn a TVAAS 3,4 or 5

Lester Prep has earned the highest possible score on the Tennessee Value-Added Assessment System (TVAAS) for three straight years, including all subjects scoring a 3 or higher each year.

Lester Prep TVAAS			
Subject	2016-17	2017-18	2018-19
ELA	5	5	5
Math	5	4	4
Science	5	3	
Social Studies			5
Composite	5	5	5

Attain above average student growth on MAP

The Measure of Academic Progress (MAP) is a nationally normed assessment that is created and scored by Northwest Evaluation Association (NWEA). Lester Prep met the ambitious goal of exceeding the average of 1.0 years of growth on the MAP assessment for every subject and year since the school began. LP students enjoyed sustained academic growth with an average of 1.6 years growth over the past 5 years. The table below details the breakdown of growth (in grade level equivalents) achieved by LP students last year.

Lester Prep MAP Grade Level Growth			
Subject	2018-19		
Math	1.3		
Reading	1.2		
Language	1.2		



Science	1.2		
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The following highlights of the data from the 2018-19 school year show additional success and significant progress towards the goal as well as trends that can be scaled across the entire school in the coming school year.

- Johns Hopkins, an LP 8th grade classroom, grew 2.1 grade levels of growth in Science
- The entire 7th grade at LP grew an average of 1.4 grade levels across all subjects
- FAMU 7, Wash U 7, Williams 7, and Johns Hopkins 8, all homerooms at LP, grew at least 1.9 grade levels in a Reading or Science

Improved attendance

Lester Prep continues to make progress towards the goal of lowering chronic absenteeism. As noted in prior reports, Lester Prep had their lowest ever rate of chronic absenteeism in the 2017-18 school year. While the 2018-19 number did increase, it is still significantly lower than the chronic absenteeism rate in the first year of operation. Root cause analysis has been conducted and an internal plan of action is in place to ensure chronic absenteeism continues on the downward trajectory. The table below represents attendance rate by grade level for Lester Prep in the 2018-19 school year.

2018-19 Attendance Rates	
6th Grade	89%
7th Grade	88%
8th Grade	88%
Average	88%

Lester Prep will continue to partner with Community In School (CIS) for the 2019-20 school year to reduce absenteeism at the school. Additionally the following attendance intervention plan is in place to help ensure that parents and students are notified when absences begin to accumulate.

- For each absence a phone call home is made notifying the parent or guardian of the absence.
- The principal makes a phone call to all students who have 2 excused or unexcused absences in a month.
- At 3 and 4 unexcused absences, a district letter is sent home outlining the importance of school attendance and future consequences should absences continue to increase.
- An appointment letter is sent home with the 5th unexcused absences requiring a meeting between the school and the parent or guardian to develop an Attendance Intervention Plan.
- When a student has 7 unexcused absences, a letter from the District Attorney is sent home further explaining the importance of attendance and possible future consequences
- At 9 unexcused absences the Principal calls and sends home a letter notifying the parent on the next unexcused absence a DCS referral for truancy will be filed.



- On the 10th unexcused absence a DCS referral for truancy is filed.
- CIS proactively and continually works a caseload of the highest risk students to ensure any barriers to school attendance are reduced as much as possible.

Enrollment

Lester Prep seeks to provide high quality seats to support increased options for students in Memphis. LP is pleased to report that during the 2018-19 school year the average membership for 6th through 8th grade was 246 students, LP has therefore met its enrollment expectations.

Section II - Student Mobility

Lester Prep serves the Binghampton neighborhood, covered primarily by the 38112 zip code in Memphis. The community has historically been a highly transient population. This can be seen from the most recent US Census where 53% of household units in the neighborhood are renter-occupied which directly contributes to the 43% of student exits at LP that are due to moving out of zone.

Transfer Reason	Number of Students
Family choice	9
Moved	9
No reason indicated	2
Transportation	1
Total	21

Further information on the mobility and attrition of students at Lester Prep can be found in the below table.

School	10/1/2018 Enrollment	Ending Enrollment	Entries	Exits	All Movement	Attrition	Mobility Rate	Attrition Rate
Lester Prep	247	258	32	21	53	11	21%	4%

Through the partnership with Community In School (CIS), Lester Prep seeks to support all of its students with wrap-around services that help to reduce any barriers to attending LP. Lester Prep will continue to work with families in every possible capacity to encourage year-long student attendance. LP will continue to listen to parent concerns and develop an action plan to resolve any concerns that the school or its partners can address.



Section III - Operations and Finance

Lester Prep has proven to be financially and operationally viable since its inception. Attached are the most recent audit results for the entire organization. In 2018-2019, Lester Prep ended the year with a positive net cash flow.

As noted in the attached audits, CEG operates its schools with a high level of financial and operational success and accountability. CEG recognizes the importance of using funds wisely and therefore requires strict accountability and efficiency in running its schools. CEG's financial and operational results prove that the organization can adjust to changes in enrollment, student needs, political environment and BEP changes.

Section IV - Leadership Changes

The current Principal comes with over 3 years experience being a Principal in a high-need and turnaround school environment, and is starting her 19th year in Memphis education, The 2019-20 school year will be her first leading Lester Prep. The math and science Dean of Instruction has also returned for the 2019-20 school year. The current Dean of Culture was the founding 7th grade social studies teacher and brings significant experience and relationships to her 2nd year in the role.

The leadership team has already translated their extensive, relevant experience in transforming a neighborhood school into an effective school culture for both adults and students. The team has connected very well to the parents and community, meeting frequently with both groups and working with these groups to build the school culture. The leadership team identified the largest learning gaps in scholars and adjusted the schedule, instruction and small group systems to improve learning outcomes throughout the school.

Section V - Parent and Community Involvement

Lester Prep believes that the involvement of parents and community members is critical to the success of the students; therefore, we create a variety of opportunities for all stakeholders to be involved in the education of children in our schools. We share academic goals at the start of each year and keep them in front of students and parents throughout, including regular reports on progress towards goals.

Parental Involvement Policy

LP involves parents of students through planning, review, and improvement of programs and services. This process begins with a TSIP meeting where parents answer a series of questions as well as provide feedback on how things are currently working at the school as well as possible areas of improvement. Based on that input, the Title I plans and budget are prepared and approved. Then, during parent council meetings, Title I meetings and the bi-annual survey, parents are encouraged to provide feedback on how things are working.

One example of a policy that was impacted by parental involvement was the frequency with which we report academic progress to families. It was noted in our bi-annual parents' survey that parents felt they did not know enough about



how their students were doing in class, in between progress reports and report cards. We worked together with them to answer this felt need which resulted in the creation of a Bi-Weekly Grade Update to parents becoming a part of our regular practice. Feedback from this change has been very positive, both parents being heard and increasing lines of communication between parents and teachers, on academics.

Parental Involvement Annual Meeting

To encourage attendance to our annual Title 1 meeting, the schools offer dinner for families that evening, offers jeans passes for students to “dress down” the following day for school if parents attend and holds the meeting prior to Open House festivities. We have found all of these things increase the number of parents who attend this annual meeting.

The school communicates via weekly parent newsletters placed in every child’s homework folder, the parent bulletin board, parent teacher conferences, the grade level curriculum meeting held in the fall, report cards, returned daily and weekly assessments, signed daily homework, Prepster paychecks, MAP, TCAP and TNREADY score/summary and growth reports, and through regular communications with the School Leader or staff member.

Parental Involvement Shared Responsibility

The annual TISP meeting provides LP an opportunity to seek feedback and ideas from parents and seek their assistance in planning for programs that will impact students and school communities. At that meeting parents answer a series of questions as well as provide feedback on how things are currently working at the school as well as possible areas of improvement. Based on that input, the Title I plans and budget are prepared and approved.

LP requires all parents to sign a Parent-Student Compact during registration which outlines their parental involvement policy. There are numerous opportunities for parents and the school to work together in addition to the original compact. The school communicates via weekly parent newsletters placed in every child’s homework folder, the parent bulletin board, parent teacher conferences, the grade level curriculum meeting held in the fall, report cards, returned daily and weekly assessments, signed daily homework, Prepster paychecks, MAP, TCAP and TNREADY scores, and through regular communications with the School Leader or staff member.

Title I information is provided during the annual Title I meeting. At this meeting, LP informs parents of all supplemental educational services that Title 1 funds provide for students such as extended school day, additional professional development for staff, during and after school tutoring, small group instruction, reteach, computer literacy, technology, co-teacher model, paraprofessionals, behavioral interventionists, and various reading and math supplemental curriculum.

Parents are encouraged to help with Friday celebrations, making copies, helping with arrival and dismissal, after school activities, or supporting teachers on certain projects. In their Family Handbook, Cornerstone and Lester Prep Schools state in their discipline policy that they are a safe and drug-free school. The Family Handbook also contains information to all parents regarding their rights covered under FERPA.

Parental Involvement Capacity Building

LP schedules multiple parent engagement opportunities that are listed as part of the school calendar. These events include such things as:

1. Annual Title 1 Meeting
2. Literacy Night
3. Math Night



4. Black History Night Program
5. Annual ELL Family Connection Night
6. Donuts with Dads and Muffins with Moms
7. Principal Coffees
8. Monthly Character Celebrations
9. Quarterly honors programs
10. Parent training events/classes
11. Graduation Night for 8th grade
12. 8th grade overnight stay out of town college visits
13. 7th grade one day out of town college visits
14. TSIP Meetings
15. Multiple volunteer opportunities throughout the year

LP receives a state report card, that shows whether the school has been identified for school improvement, how our students achieved on the TCAP and TNReady and other indicators of adequate yearly progress compare to those in the district and the state as a whole. At the time of this report, the State Report card was not updated with 2018-19 data. Some highlights of the most recent report card include:

- 3.6 out of 4 on academic growth
- 4 out of 4 on student chronically out of school
- 3 out of 4 on english language proficiency

Funding for Parent and Family engagement comes through Title I and the use of BEP funds. 1% of Title I funds have been budgeted to use for parent/community engagement. Title I funds will be used to provide resources to parents, including books to take home and read with their children on Literacy Night and providing dinner to entice families to attend Family Literacy night and the Parent training events. All events are inclusive of all student populations including our economically disadvantaged, ELLs and students with disabilities.

LP gives home language surveys to all enrolled students and has informed all parents of students who are classified as English Language Learners of the academic program they are receiving with our ESL teacher. The ESL teachers has regular communication with all ESL families and ensures all invitations and documents are translated for parents written or verbal. We also partner with the Refugee Empowerment Program, who assists our ESL families with transportation to events, tutoring for students and family programs in their home languages.

If a parent requests the information, LP will include at least whether the teacher has met state qualifications and licensing criteria for the grade levels and subject areas taught; whether the teacher is teaching under emergency or other provisional status; the baccalaureate degree major of the teacher and any other graduate certification. The information must also disclose whether the child is provided services by paraprofessionals, and if so, their qualifications.



LP will also give timely notice that the parent's child has been assigned or has been taught for four or more consecutive weeks by a teacher who is not highly qualified.

LP has three weeks of professional development for teachers each summer. The first week of training is held for new staff only and includes multiple sessions to inform teachers of the programs provided through Title 1 services, getting to know the communities where the schools are operated, and strategies for engaging with parents, families and the community. In the two weeks of time with all returning staff, these topics are revisited as refreshers and community partners come to share with staff what is happening in the neighborhood and how their agencies are partnering with families, students and our schools. Our school Blueprint outlines teacher expectations for parent and family engagement throughout the year which includes one positive family contact in first two weeks of school, bi-weekly grade updates to families, and always being available to answer any parental concerns or have meetings with them as requested.

Section VI - Promising Practices

Strong Leadership

A committed and strong leader is able to organize and lead staff toward a shared vision of success and put structures, resources, and personnel in place to rapidly improve the school. Compared to more traditional models, Lester Prep increases the distribution of leadership among teachers and staff to build a strong commitment to and ownership of the continued school turnaround. Teacher and staff leaders have partnered with the school leadership team to increase the number of leaders at the school and to increase the impact on student achievement. The school leaders include teachers and non-instructional staff with varying degrees of experience, grades taught and responsibilities. Specifically, this includes:

- Experienced school Principal
- A founding teacher who has become a critical teacher leader during the last 5 years
- Returning staff in critical parent interactive positions
- Community in Schools staff member
- The CEG leader in special education
- Non-instructional staff including a front desk administrative specialist, Data and human resource experts
- Teachers in a wide range of grades and subject taught

LP distributes ownership across the organization, empowering teachers, support staff and community partners to lead in the school's continued turnaround efforts. Specific examples include teachers working collaboratively to improve upon best practices. Child study teams (Counselors, behavior team members, school psychologists, parents, special education and general education and teachers) also work together to design effective plans for students, including individual



behavior and learning plans. A Parent Advisory Committee meets throughout the school year to assess the strengths and weaknesses of the school and provide valued input. Community in School team members communicate with office staff, school leaders, parents, counselors and the behavior team to help the 60 families and students who struggle most in attendance, behavior or achievement. Self-nominated teacher-leaders also meet once per month with the principal to discuss the needs of students, families and staff as part of the Teacher Advisory Team.

Teachers, staff, community partners and parents must meet defined criteria to serve as school leaders:

- Grade Level chairs must be interviewed and approved by the Principal and demonstrate ability to meet deadlines, exhibit a growth mindset, be solutions oriented, and be willing to work after school in the summer, fall and spring.
- Child Study Team members must be active participants in the academic, behavioral or emotional life of the student and available to meet as needed
- Community in Schools staff interview with the CIS interview team and the LP Principal, Dean of Culture and Manager of Business Information and Systems and must be experienced in urban students and family work and collaborate well with the school and community
- The Teacher Advisory Team members self-nominate but must exhibit buy-into consistently using data to identify the needs of students and be willing to seek solutions to identified opportunities for improvement
- Parent Advisory Committee members must commit to consistent attendance at meetings throughout the year
- All parents can submit their ideas through parent surveys, the parent committee or through speaking with any LP staff member

Monitor Short- and Long-Term Goals

LP uses Gantt charts, a comprehensive assessment strategy and a school culture data tracking system to closely monitor the progress of the implementation of strategies and action steps and to intervene in the event strategies or practices are not working as necessary to maximize student learning and achievement. This approach truly makes LP a data-driven school that can track the effectiveness of the school's strategic plan.

LP monitors the progress of the implementation of strategies and action steps by tracking both the adult actions and student outcomes. LP monitors adult actions using a Gantt chart. The Gantt chart is a bar chart that illustrates the school's strategic plan schedule based on the information found in this document and subsequently added by the school leaders. The chart identifies the tasks to be performed on the vertical axis, and time intervals and due dates on the horizontal axis. The Director of Operational Systems, Data and Technology creates and owns the chart while the Executive Director and Principal will own the successful execution of the items listed on the chart. The Executive Director conducts meetings twice per month to review progress made on each task found on the chart, looking both at short-term and long-term goals and strategies. The review of this chart provides evidence that the adults are meeting expected deadlines and commitments. Any deadlines missed require an explanation from the responsible person and a revised completion date.

Student outcomes as described in the school's strategic plan will be measured by the comprehensive assessment strategy and school culture data tracking system. The comprehensive assessment strategy contains 5 elements:

1. Instruction



2. Assessment
3. Analysis
4. Reteach
5. Reassess

Instruction and planning are closely monitored and evaluated for rigor and execution daily by school leaders according to the CEG Blueprint. In addition, a thorough Data Driven Instruction (DDI) protocol is followed to ensure root causes are addressed and students are progressing towards meeting the school's long-term and short-term goals. These are monitored each Friday for alignment with the plans and strategies in the school's strategic plan.

Student outcomes are reviewed daily, weekly and every 9 weeks. Daily, student exit tickets are reviewed for class-wide trends of the most missed skill and then reviewed the next day to ensure student mastery. Progress of these exit tickets is tracked and measured by teachers and leaders. Weekly, assessments called Show What You Know quizzes (SWYK) are administered and tracked through the Illuminate Data and Assessment tool. Re-teach assessments are also administered, based on data analysis from the original assessment, to give another opportunity for students to demonstrate mastery after being retaught the material. During weekly data meetings, teachers and leaders collaboratively analyze data by student. This data is then used to gauge relative performance and adjust instruction or curriculum, or the school's strategic plan as needed. Having both a large scale and a smaller weekly/daily data cycle is necessary to identify root causes so instruction and strategies can be adjusted according to the needs identified in the data.

Illuminate Data and Assessment online application and assessment bank is the primary tool used to both create and analyze weekly quizzes, re-teach assessments, and quarterly interims. The assessment bank built into Illuminate allows for leaders to ensure all questions are rigorous, robust, and aligned to the appropriate standard on the school curriculum map and will lead to the accomplishment of the School Turnaround goals.

LP believes the comprehensive assessment strategy described above equips staff to consistently measure performance and progress towards achieving the overarching three-year goal, as well as subsequent smaller goals. Any significant variances from the goals in student achievement data require an explanation from the teacher and Dean of Instruction. The school leaders review the data the week following the miss to look for improvements or to determine if a practice or strategy is not working and needs to be adjusted.

LP tracks the effectiveness of the school's strategic plan related to student support through the School Culture Data Tracking System, which provides both leading indicators and behavioral data. LP tracks and monitors the School Turnaround goals through an online application called Live School that allows for detailed reporting with full visibility on progress towards goals. Live School provides up to the minute tracking of student behavior and well as reporting of large-scale trends. The school leaders monitor the effectiveness of the implementation of strategies and action steps and intervene immediately when necessary.

The school leaders use Live School to track the following leading indicators:

1. Merits and Demerits



2. Referrals
3. Detentions
4. Suspension

Merits and demerits are monitored in the moment using the Live School timeline feature. This allows for an immediate student restorative conversation and teacher coaching when necessary. This maximizes student time in class and minimize the need for more drastic inventions. The goal is for all students to earn the Friday celebration which is based on the number of merits and demerits a student earns. Quarterly incentive parties can also be earned by students who consistently demonstrate LP's character traits.

Referrals, detentions, and suspensions are earned by varying degrees of student behavior. That data will be reviewed by the school leaders and Dean of Culture to ensure the strategies are working or if not, to coordinate a revised plan with relevant case managers, other school leaders, and classroom teachers.

LP believes the School Culture Data Tracking System described above equips students, teachers, and leaders to consistently measure performance, identify root causes, and measure progress towards achieving behavioral and school culture goals that directly support the achievement of academic goals. Furthermore, teachers and leaders also have the information available to adjust interventions, create behavior plans and school wide systems as needed to best ensure students meet their academic and behavioral goals.

In summary, the regular data reviews of academic data, leading indicators and behavior data (daily, weekly, bi-weekly, monthly and quarterly) provide numerous opportunities for school leaders to intervene when data reflects that the strategies and practices are not working. If the team identifies strategies that need to be adjusted, the team gathers and discusses the best option for adjusting the plan moving forward and then immediately implements those revised plans, adjusting the Gannt chart and any related goals.

Provide High Quality Teacher Development and Training

The single biggest need identified in the most recent needs assessment was increased teacher development and training. Evidenced based research reveals that building the capacity of teachers leads to successful school turnaround results. The book "Leverage Leadership," written by Paul Bambrick-Santoyo and based on successful urban charter schools around the country, states "Low socioeconomic schools that can offer students 3 consecutive years of strong teaching close the achievement gap, correcting for a host of external factors." Therefore, LP needs effective teachers in every class and every grade to ensure all students are truly on track for college.

LP utilizes a Dean of Instruction to provide coaching and feedback for ongoing support to improve instruction. The dean focused on improving the instruction for LP teachers in many ways, including:

- Developing teachers through live coaching, modeling, regular in-class observation of practice and feedback, spending 70% of time in classrooms on teacher development across multiple grade levels.
- Creating and leading professional development sessions for individual, small group and whole staff with a focus on practice to include: 2-3 weeks of Professional Development during Summer, all scheduled Professional



Development Days during the school year, practice sessions before and after school, and during teacher planning periods.

- Ensuring alignment to curriculum and fidelity to the academic model including reviewing teacher plans, organizing books and materials, participating in curriculum audits and providing additional training as needed.
- Regularly collaborating with teachers on grade level planning and data meetings designed to create action plans based on the data and ensure 1.5 grade level growth of students.

The Director of Academic Achievement, Director of Schools and Principal work together to equip the Dean of Instruction with the skills and knowledge necessary to effectively coach teachers on the dean's caseload. The dean records observations in the observation tracker based on the CEG blueprint and teacher rubric, and meets regularly with teachers to help them improve their craft. The dean reviews daily exit tickets, weekly Show What You Know Data and interim results to monitor the progress of students and the effectiveness of the teacher. The teacher and coach are held accountable for year-end goals around NWEA MAP assessment and TNReady results.

Purposeful Planning

The purpose of planning is to ensure teachers have mastered the content knowledge necessary for instruction and thought through the most critical aspects of planning for a lesson. Purposeful planning ensures that teachers understand the big ideas of the unit, the long term goals for their students as well as the individual aspects of the lesson and how their student data impacts lesson delivery. Therefore, purposeful planning assumes teachers engage in robust unit unpacking, intellectual prep, lesson execution practice, and looking at student work as part of their regular preparation and development.

Planning is critical to successful execution. We can't have great instruction or great results without a plan. In order to address the three aspects of the instructional core listed in the introduction teachers must spend a considerable amount of time planning and preparing for instruction. Each part of the purposeful planning process is designed to ensure that teachers are prepared to deliver lessons that meet all three aspects of the instructional core.

Unit/Module Unpacking: This process enables teachers to understand the flow of the unit and the key points for assessment in order to adjust instruction as well as identify and plan strategies to address the key prerequisite skill gaps that scholars may have coming into this unit and the potential misconceptions they may develop.

Intellectual Prep Process (IPP): This process enables teachers to internalize the content of their daily lessons. This process focuses on unpacking the standards and aligning the rigor of the task to the standard while also planning necessary adjustments to scaffold the lesson and meet students needs.

Action Steps

Lester Prep is pleased with the growth in academic success that it has achieved during the 2018-19 school year. LP will continue to be faithful to the mission of equipping all students with the wisdom and knowledge necessary to succeed in college and to become leaders in their community. LP expects to build upon the growth from the last school year to accomplish the mission even more effectively. Therefore, LP will take the following action steps that are in alignment with the promising practices outlined above.

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Strong Leadership

1. Communicate to parents, staff and partners about the opportunities to increase their leadership voice at Lester Prep with written criteria for selection
2. Gather all school leaders to review the school's strategic plan and be trained in evidence-based best practices
3. Convene school leaders to review the effectiveness of the first and second quarters and prepare plans based on identified needs for the third quarter
4. Review Community in Schools Quarter 1 caseload report
5. Update parents, staff and community and enlist their support
6. Gather school leaders for update on progress

Monitor Short- and Long-Term Goals

1. Create Gantt Chart
2. Conduct bi-weekly Gantt Chart review meetings
3. Create weekly quizzes and quarterly interim assessments to measure progress towards the school strategic plan
4. Analyze weekly quizzes and quarterly assessments
5. Record and analyze leading culture and behavior data
6. End of Year data review and adjustment. Trends for students and teachers are analyzed, root causes identified, and a revised plan created for upcoming school year

Provide High Quality Teacher Development and Training

1. Train Dean of Instruction on critical curriculum, assessments and coaching tools
2. Observe school leaders providing coaching and feedback
3. Assign Dean of Instruction a caseload of teachers
4. Model coaching and observation feedback loop
5. Conduct weekly data meeting and planning sessions with teachers, Dean of Instruction and Director of Academic Achievement
6. Provide bonus incentives for teachers, Dean of Instruction and Principal based on student achievement

Purposeful Planning

All steps are completed by teachers under the guidance of the Dean of Instruction and Principal

1. Backwards plan from the upcoming assessment
2. Develop core instruction with Lesson Plan annotation and material creation
3. Plans ways to differentiate instruction
4. Analyze weekly data to determine trends and perform root cause analysis

As evidenced in this report and the attached financial audit, Lester Prep has been effectively governed, the school is fiscally sound, has made significant progress towards academic goals, and has satisfactorily met its legal requirements. Capstone Education Group and Lester Prep believe if the school's charter is renewed its plans for the next charter are likely to be achieved.



Attachment L Annual Report

[Attachment L3](#)

Cornerstone Prep - Lester Campus
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Date of Report: August 15, 2019



Introduction

Capstone Education Group, Inc. (CEG), a Memphis-based 501c3 incorporated organization, was incorporated in 2012 to manage and lead charter schools. CEG currently runs three neighborhood public charter schools that have historically been ranked in the bottom 5% of schools in Tennessee and are located in two areas of high poverty in Memphis: Cornerstone Prep - Lester and Lester Prep, located at 320 Carpenter in Binghampton, and Cornerstone Prep - Denver, located at 1940 Frayser Blvd in Frayser. CEG began serving students in these neighborhoods as part of a transformation strategy for the lowest performing schools in Memphis authorized by the Achievement School District.

CEG exists to provide a quality, college preparatory education to low-income families in Memphis to prepare them for a life of leadership in their community. The mission statement outlines this desire: CEG equips all students with the wisdom and knowledge necessary to succeed in college and to become leaders in their community. More information about the mission and three schools can be found at the organization's website:

<http://www.cornerstoneprepmemphis.org/>

CEG invests heavily in supporting the students and their families, both inside and outside of the classroom. CEG believes that the of Memphis becomes stronger when its individual communities become healthier and therefore works hard to make its schools the center of a community redevelopment strategy that improves both the lives of the students and the community in which they live.

CEG develops significant relationships with organizations that can provide wrap around or support services in addition to the education provided in the classroom. For example, in Binghampton, CEG partners with the Binghampton Development Corporation, Service Over Self, Communities in Schools, Christ Community Health Services, Agape North, Le Bonheur, and various local churches to meet housing, job training, neighborhood watch, counseling and parenting support. This approach makes CEG a unique organization in the city.

CEG utilizes an approach like many high performing schools serving urban children, most of which are in the northeastern United States. The CEG founder, Drew Sippel, was trained by Building Excellent Schools, a national nonprofit organization committed to improving the academic achievement of underserved students in the nation's urban centers.

Recent Success

Cornerstone Prep - Lester's mission is to equip all students with the Wisdom and Knowledge necessary to succeed in college and to become leaders in their community. The school is happy to report that it is on track to fulfill its mission as evidenced by the following results:

- Average more than 1.4 years of growth across all subjects in 2019 on NWEA-MAP
- In 2018, Cornerstone Prep – Lester outperformed every other school in the ASD, earning the highest proficiency rates in both math and science on the 2017-2018 TNReady assessment.
- Students enjoyed the highest possible score in Science on the Tennessee Value-Added Assessment System (TVAAS) in 2018

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- Cornerstone Prep - Lester demonstrated continued success averaging 1.4 grade levels of growth over all subjects and all grades for the past 3 years as measured by the NWEA MAP assessment

School Information

Cornerstone Prep - Lester (CPL) was authorized by the Achievement School District in 2012 as a school transformation of a previously failing school. CPL first opened in the 2012-13 school year serving grades Pre-Kindergarten through the 3rd grade. Currently, CPL is in its seventh year of operation and serves Pre-Kindergarten through the 5th grade students over 175 school days with hours of:

Monday - Thursday: 7:00AM - 3:30PM

Friday: 7:00AM - 2:00PM

Cornerstone Prep - Lester is on track to meet the projected enrollment for the 2019-20 school year. The current enrollment on August 15, 2019, the 4th day of the school year, is 278. This enrollment number shows CPL is on track to meet the projected enrollment of 359 students and is within the school's charter enrollment allowance.

Leadership

Jay Harvill

Chairman of the Board

Capstone Education Group

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Hannah Hudson

Principal

Cornerstone Prep - Lester

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Section 1 - Progress towards the charter school's goals

Cornerstone Prep - Lester is meeting expectations related to the goals outlined in the current charter agreement. These goals were agreed upon by the school and are in alignment with our chartering authorities school performance framework. The progress towards and attainment of the goals in specific are discussed below.

Get off the Tennessee School Priority List

Based on 2018 Tn Ready results, Cornerstone Prep - Lester is no longer on the Tennessee School Priority List. This is particularly significant as CPL was asked to turnaround the lowest performing school in the entire state.



Priority schools are the 5 percent of schools with the lowest success rates (using up to three years of data) in the state. Because of TN Ready testing concerns and other issues, TDOE chose not to identify new Priority schools in 2017. CPL was previously off of the Priority School List, continuing to build upon the progress already made.

Earn a TVAAS 3,4 or 5

In 2018, Cornerstone Prep - Lester was the highest performing school in the District based on TN Ready proficiency rate and students also scored a Level 5 on Science, and Level 3 composite on the Tennessee Value-Added Assessment System. In 2019, TVAAS expectations were met in three out of four grade/subject groups used in accountability calculations which resulted in a composite TVAAS score of 2.

Attain above average student growth on MAP

The Measure of Academic Progress (MAP) is a nationally normed assessment that is created and scored by Northwest Evaluation Association (NWEA). Cornerstone Prep – Lester met the ambitious goal of exceeding the average of 1.0 years of growth on the MAP assessment, with at least 1.2 years of growth in each subject. The table below details the breakdown of growth (in grade level equivalents) achieved by CPL students over one academic year.

2018-19 MAP Grade Level Growth	
Mathematics	1.5
Reading	1.2
Language	1.2
Science	1.8
Average	1.4

The following highlights of the data show additional success and significant progress towards the goal as well as trends that can be scaled across the entire school in the coming school year.

- 5th Graders in the Dartmouth homeroom grew an average of 2.0 grade levels across all subjects
- Wake Forest, a 1st Grade homeroom at CPL, grew 2.0 grade levels in Math
- Hampton, a 4th grade classroom, grew 2.9 grade levels in Science



Improved attendance

Cornerstone Prep - Lester continues to make progress towards the goal of lowering chronic absenteeism. As noted in prior reports, Cornerstone Prep - Lester had their lowest ever rate of chronic absenteeism in the 2017-18 school year. While the 2018-19 number did increase, it is still significantly lower than the chronic absenteeism rate in the first year of operation. Root cause analysis has been conducted and an internal plan of action is in place to ensure chronic absenteeism continues to decrease. The table below represents attendance rate by grade level for Cornerstone Prep - Lester in the 2018-19 school year.

2018-19 Attendance Rates	
Kindergarten	87%
1st Grade	89%
2nd Grade	90%
3rd Grade	90%
4th Grade	88%
5th Grade	88%
Average	89%

Cornerstone Prep - Lester will continue to partner with Community In School (CIS) for the 2019-20 school year to reduce absenteeism at the school. Additionally the following attendance intervention plan is in place to help ensure that parents and students are notified when absences begin to accumulate.

- For each absence a phone call home is made notifying the parent or guardian of the absence.
- The principal makes a phone call to all students who have 2 excused or unexcused absences in a month.
- At 3 and 4 unexcused absences, a district letter is sent home outlining the importance of school attendance and future consequences should absences continue to increase.
- An appointment letter is sent home with the 5th unexcused absences requiring a meeting between the school and the parent or guardian to develop an Attendance Intervention Plan.



- When a student has 7 unexcused absences, a letter from the District Attorney is sent home further explaining the importance of attendance and possible future consequences
- At 9 unexcused absences the Principal calls and sends home a letter notifying the parent on the next unexcused absence a DCS referral for truancy will be filed.
- On the 10th unexcused absence a DCS referral for truancy is filed.
- CIS proactively and continually works a caseload of the highest risk students to ensure any barriers to school attendance are reduced as much as possible.

Enrollment

Cornerstone Prep - Lester seeks to provide high quality seats to support increased options for students in Memphis. CPL is pleased to report that during the 2018-19 school year the average membership for Pre-K to 5th grade was 380 students, 340 students Kindergarten to 5th grade. CPL has therefore met its enrollment expectations.

Section II - Student Mobility

Cornerstone Prep - Lester serves the Binghampton neighborhood, covered primarily by the 38112 zip code in Memphis. The community has historically been a highly transient population. This can be seen from the most recent US Census where 53% of household units in the neighborhood are renter-occupied which directly contributes to the 55% of student exits at CPL that are due to moving out of zone.

Transfer Reason	Number of Students
Family choice	4
Moved	20
No reason indicated	12
Total	36

Further information on the mobility and attrition of students at Cornerstone Prep - Lester can be found in the below table.

School	10/1/2018 Enrollment	Ending Enrollment	Entries	Exits	All Movement	Attrition	Mobility Rate	Attrition Rate
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Cornerstone Prep - Lester	418	440	58	36	94	22	21%	5%
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Through the partnership with Community In School (CIS), Cornerstone Prep - Lester seeks to support all of its students with wrap-around services that help to reduce any barriers to attending CPL. Cornerstone Prep - Lester will continue to work with families in every possible capacity to encourage year-long student attendance. CPL will continue to listen to parent concerns and develop an action plan to resolve any concerns that the school or its partners can address.

Section III - Operations and Finance

Cornerstone Prep - Lester has proven to be financially and operationally viable since its inception. Attached are the most recent audit results for the entire organization. In 2018-2019, Cornerstone Prep - Lester ended the year with a positive net cash flow.

As noted in the attached audits, CEG operates its schools with a high level of financial and operational success and accountability. CEG recognizes the importance of using funds wisely and therefore requires strict accountability and efficiency in running its schools. CEG's financial and operational results prove that the organization can adjust to changes in enrollment, student needs, political environment and BEP changes.

Section IV - Leadership Changes

The Principal is in her 4th year as a leader at Cornerstone Prep - Lester and has returned for the 2019-20 school year and the Dean of Culture and a Dean of Instruction (3-5 Math/Science) is in her second year at CPL, returning for the 2019-20 school year.

A new Dean of Instruction (3-5 ELA) as been added that brings significant expertise and leadership with the following highlights:

- 6 years of charter school teaching and leadership experience
- Previous experience as Assistant Principal
- Masters degree in Educational Leadership
- Ed.D at Johns Hopkins started August 2019

A second Dean of Instruction (K-2) as been added to the leadership team that was a highly-successful mentor teacher for the past 4 years at Cornerstone Prep - Lester and bring significant relationships and practical experience.



The leadership team has already translated their extensive, relevant experience in transforming a neighborhood school into an effective school culture for both adults and students. The team has connected very well to the parents and community, meeting frequently with both groups and working with these groups to build the school culture. The leadership team identified the largest learning gaps in scholars and adjusted the schedule, instruction and small group systems to improve learning outcomes throughout the school.

Section V - Parent and Community Involvement

Cornerstone Prep - Lester believes that the involvement of parents and community members is critical to the success of the students; therefore, we create a variety of opportunities for all stakeholders to be involved in the education of children in our schools. We share academic goals at the start of each year and keep them in front of students and parents throughout, including regular reports on progress towards goals.

Parental Involvement Policy

CPL involves parents of students through planning, review, and improvement of programs and services. This process begins with a TSIP meeting where parents answer a series of questions as well as provide feedback on how things are currently working at the school as well as possible areas of improvement. Based on that input, the Title I plans and budget are prepared and approved. Then, during parent council meetings, Title I meetings and the bi-annual survey, parents are encouraged to provide feedback on how things are working.

One example of a policy that was impacted by parental involvement was the frequency with which we report academic progress to families. It was noted in our bi-annual parents' survey that parents felt they did not know enough about how their students were doing in class, in between progress reports and report cards. We worked together with them to answer this felt need which resulted in the creation of a Bi-Weekly Grade Update to parents becoming a part of our regular practice. Feedback from this change has been very positive, both parents being heard and increasing lines of communication between parents and teachers, on academics.

Parental Involvement Annual Meeting

To encourage attendance to our annual Title 1 meeting, the schools offer dinner for families that evening, offers jeans passes for students to "dress down" the following day for school if parents attend and holds the meeting prior to Open House festivities. We have found all of these things increase the number of parents who attend this annual meeting.

The school communicates via weekly parent newsletters placed in every child's homework folder, the parent bulletin board, parent teacher conferences, the grade level curriculum meeting held in the fall, report cards, returned daily and weekly assessments, signed daily homework, Prepster paychecks, MAP, TCAP and TNREADY score/summary and growth reports, and through regular communications with the School Leader or staff member.

Parental Involvement Shared Responsibility

The annual TISP meeting provides CPL an opportunity to seek feedback and ideas from parents and seek their assistance in planning for programs that will impact students and school communities. At that meeting parents answer a series of questions as well as provide feedback on how things are currently working at the school as well as possible areas of improvement. Based on that input, the Title I plans and budget are prepared and approved.

CPL requires all parents to sign a Parent-Student Compact during registration which outlines their parental involvement policy. There are numerous opportunities for parents and the school to work together in addition to the original compact. The school communicates via weekly parent newsletters placed in every child's homework folder, the parent



bulletin board, parent teacher conferences, the grade level curriculum meeting held in the fall, report cards, returned daily and weekly assessments, signed daily homework, Prepster paychecks, MAP, TCAP and TNREADY scores, and through regular communications with the School Leader or staff member.

Title I information is provided during the annual Title I meeting. At this meeting, CPL informs parents of all supplemental educational services that Title 1 funds provide for students such as extended school day, additional professional development for staff, during and after school tutoring, small group instruction, reteach, computer literacy, technology, co-teacher model, paraprofessionals, behavioral interventionists, and various reading and math supplemental curriculum.

Parents are encouraged to help with Friday celebrations, making copies, helping with arrival and dismissal, after school activities, or supporting teachers on certain projects. In their Family Handbook, Cornerstone and Lester Prep Schools state in their discipline policy that they are a safe and drug-free school. The Family Handbook also contains information to all parents regarding their rights covered under FERPA.

Parental Involvement Capacity Building

CPL schedules multiple parent engagement opportunities that are listed as part of the school calendar. These events include such things as:

1. Annual Title 1 Meeting
2. Literacy Night
3. Math Night
4. Black History Night Program
5. Annual ELL Family Connection Night
6. Donuts with Dads and Muffins with Moms
7. Principal Coffees
8. Monthly Character Celebrations
9. Quarterly honors programs
10. Parent training events/classes
11. Graduation Night for PreK, K, 5th grade
12. TSIP Meetings
13. Multiple volunteer opportunities throughout the year

CPL receives a state report card, that shows whether the school has been identified for school improvement, how our students achieved on the TCAP and TNReady and other indicators of adequate yearly progress compare to those in the district and the state as a whole. At the time of this report, the State Report card was not updated with 2018-19 data. Some highlights of the most recent report card include:

Some highlights of the current report card include:

- 4 out of 4 on chronic absenteeism
- 3 out of 4 on academic achievement
- 4 out of 4 on progress on english language proficiency

Funding for Parent and Family engagement comes through Title I and the use of BEP funds. 1% of Title I funds have been budgeted to use for parent/community engagement. Title I funds will be used to provide resources to parents, including books to take home and read with their children on Literacy Night and providing dinner to entice families to attend

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Family Literacy night and the Parent training events. All events are inclusive of all student populations including our economically disadvantaged, ELLs and students with disabilities.

CPL gives home language surveys to all enrolled students and has informed all parents of students who are classified as English Language Learners of the academic program they are receiving with our ESL teacher. The ESL teachers has regular communication with all ESL families and ensures all invitations and documents are translated for parents written or verbal. We also partner with the Refugee Empowerment Program, who assists our ESL families with transportation to events, tutoring for students and family programs in their home languages.

If a parent requests the information, CPL will include at least whether the teacher has met state qualifications and licensing criteria for the grade levels and subject areas taught; whether the teacher is teaching under emergency or other provisional status; the baccalaureate degree major of the teacher and any other graduate certification. The information must also disclose whether the child is provided services by paraprofessionals, and if so, their qualifications.

CPL will also give timely notice that the parent's child has been assigned or has been taught for four or more consecutive weeks by a teacher who is not highly qualified.

CPL has three weeks of professional development for teachers each summer. The first week of training is held for new staff only and includes multiple sessions to inform teachers of the programs provided through Title 1 services, getting to know the communities where the schools are operated, and strategies for engaging with parents, families and the community. In the two weeks of time with all returning staff, these topics are revisited as refreshers and community partners come to share with staff what is happening in the neighborhood and how their agencies are partnering with families, students and our schools. Our school Blueprint outlines teacher expectations for parent and family engagement throughout the year which includes one positive family contact in first two weeks of school, bi-weekly grade updates to families, and always being available to answer any parental concerns or have meetings with them as requested.

Section VI - Promising Practices

Strong Leadership

A committed and strong leader is able to organize and lead staff toward a shared vision of success and put structures, resources, and personnel in place to rapidly improve the school. Compared to more traditional models, Cornerstone Prep - Lester increases the distribution of leadership among teachers and staff to build a strong commitment to and ownership of the continued school turnaround. Teacher and staff leaders have partnered with the school leadership team to increase the number of leaders at the school and to increase the impact on student achievement. The school leaders include teachers and non-instructional staff with varying degrees of experience, grades taught and responsibilities. Specifically, this includes:

- Returning school Principal
- A founding teacher who has become a critical teacher leader during the last 4 years
- A new leader with Resident Principal experience in the New Leaders program
- A leader in charter school education
- Returning staff in critical parent interactive positions
- Community in Schools staff member
- The CEG leader in special education



CPL distributes ownership across the organization, empowering teachers, support staff and community partners to lead in the school's continued turnaround efforts. Specific examples include teachers working collaboratively to design curriculum and assessments as part of a teacher-leader role known as CART (Curriculum and Assessment Review Team). Child study teams (Counselors, behavior team members, school psychologists, parents, special education and general education and teachers) also work together to design effective plans for students, including individual behavior and learning plans. A Parent Advisory Committee meets throughout the school year to assess the strengths and weaknesses of the school and provide valued input. Community in School team members communicate with office staff, school leaders, parents, counselors and the behavior team to help the 60 families and students who struggle most in attendance, behavior or achievement. Self-nominated teacher-leaders also meet once per month with the principal to discuss the needs of students, families and staff as part of the Teacher Advisory Team.

Teachers, staff, community partners and parents must meet defined criteria to serve as school leaders:

- CART members must be interviewed and approved by the Director of Academic Achievement and demonstrate ability to meet deadlines, exhibit a growth mindset, be solutions oriented, and be willing to work after school in the summer, fall and spring.
- Child Study Team members must be active participants in the academic, behavioral or emotional life of the student and available to meet as needed
- Community in Schools staff interview with the CIS interview team and the CPL Principal, Dean of Culture and Manager of Business Information and Systems and must be experienced in urban students and family work and collaborate well with the school and community
- The Teacher Advisory Team members self-nominate but must exhibit buy-into consistently using data to identify the needs of students and be willing to seek solutions to identified opportunities for improvement
- Parent Advisory Committee members must commit to consistent attendance at meetings throughout the year
- All parents can submit their ideas through parent surveys, the parent committee or through speaking with any CPL staff member

Monitor Short- and Long-Term Goals

CPL uses Gantt charts, a comprehensive assessment strategy and a school culture data tracking system to closely monitor the progress of the implementation of strategies and action steps and to intervene in the event strategies or practices are not working as necessary to maximize student learning and achievement. This approach truly makes CPL a data-driven school that can track the effectiveness of the school's strategic plan.

CPL monitors the progress of the implementation of strategies and action steps by tracking both the adult actions and student outcomes. CPL monitors adult actions using a Gantt chart. The Gantt chart is a bar chart that illustrates the school's strategic plan schedule based on the information found in this document and subsequently added by the school leaders. The chart identifies the tasks to be performed on the vertical axis, and time intervals and due dates on the horizontal axis. The Director of Operational Systems, Data and Technology creates and owns the chart while the Executive Director and Principal will own the successful execution of the items listed on the chart. The Executive Director conducts meetings twice per month to review progress made on each task found on the chart, looking both at short-term and long-term goals and strategies. The review of this chart provides evidence that the adults are meeting



expected deadlines and commitments. Any deadlines missed require an explanation from the responsible person and a revised completion date.

Student outcomes as described in the school's strategic plan will be measured by the comprehensive assessment strategy and school culture data tracking system. The comprehensive assessment strategy contains 5 elements:

1. Instruction
2. Assessment
3. Analysis
4. Reteach
5. Reassess

Instruction and planning are closely monitored and evaluated for rigor and execution daily by school leaders according to the CEG Blueprint. In addition, a thorough Data Driven Instruction (DDI) protocol is followed to ensure root causes are addressed and students are progressing towards meeting the school's long-term and short-term goals. These are monitored each Friday for alignment with the plans and strategies in the school's strategic plan.

Student outcomes are reviewed daily, weekly and every 9 weeks. Daily, student exit tickets are reviewed for class-wide trends of the most missed skill and then reviewed the next day to ensure student mastery. Progress of these exit tickets is tracked and measured by teachers and leaders. Weekly, assessments called Show What You Know quizzes (SWYK) are administered and tracked through the Illuminate Data and Assessment tool. Re-teach assessments are also administered, based on data analysis from the original assessment, to give another opportunity for students to demonstrate mastery after being retaught the material. During weekly data meetings, teachers and leaders collaboratively analyze data by student. This data is then used to gauge relative performance and adjust instruction or curriculum, or the school's strategic plan as needed. Having both a large scale and a smaller weekly/daily data cycle is necessary to identify root causes so instruction and strategies can be adjusted according to needs identified in the data.

Illuminate Data and Assessment online application and assessment bank is the primary tool used to both create and analyze weekly quizzes, re-teach assessments, and quarterly interims. The assessment bank built into Illuminate allows for leaders to ensure all questions are rigorous, robust, and aligned to the appropriate standard on the school curriculum map and will lead to the accomplishment of the School Turnaround goals.

CPL believes the comprehensive assessment strategy described above equips staff to consistently measure performance and progress towards achieving the overarching three-year goal, as well as subsequent smaller goals. Any significant variances from the goals in student achievement data require an explanation from the teacher and Dean of Instruction. The school leaders review the data the week following the miss to look for improvements or to determine if a practice or strategy is not working and needs to be adjusted.

CPL tracks the effectiveness of the school's strategic plan related to student support through the School Culture Data Tracking System, which provides both leading indicators and behavioral data. CPL tracks and monitors the School Turnaround goals through an online application called Live School that allows for detailed reporting with full visibility on progress towards goals. Live School provides up to the minute tracking of student behavior and well as reporting of



large-scale trends. The school leaders monitor the effectiveness of the implementation of strategies and action steps and intervene immediately when necessary.

The school leaders use Live School to track the following leading indicators:

1. Merits and Demerits
2. Referrals
3. Detentions
4. Suspension

Merits and demerits are monitored in the moment using the Live School timeline feature. This allows for an immediate student restorative conversation and teacher coaching when necessary. This maximizes student time in class and minimize the need for more drastic inventions. The goal is for all students to earn the Friday celebration which based on the number of merits and demerits a student earns. Quarterly incentive parties can also be earned by students who consistently demonstrate CPL's character traits.

Referrals, detentions, and suspensions are earned by varying degrees of student behavior. That data will be reviewed by the school leaders and Dean of Culture to ensure the strategies are working or if not, to coordinate a revised plan with relevant case managers, other school leaders, and classroom teachers.

CPL believes the School Culture Data Tracking System described above equips students, teachers, and leaders to consistently measure performance, identify root causes, and measure progress towards achieving behavioral and school culture goals that directly support the achievement of academic goals. Furthermore, teachers and leaders also have the information available to adjust interventions, create behavior plans and school wide systems as needed to best ensure students meet their academic and behavioral goals.

In summary, the regular data reviews of academic data, leading indicators and behavior data (daily, weekly, bi-weekly, monthly and quarterly) provide numerous opportunities for school leaders to intervene when data reflects that the strategies and practices are not working. If the team identifies strategies that need to be adjusted, the team gathers and discusses the best option for adjusting the plan moving forward and then immediately implements those revised plans, adjusting the Gantt chart and any related goals.

Provide High Quality Teacher Development and Training

The single biggest need identified in the most recent needs assessment was increased teacher development and training. Evidenced based research reveals that building the capacity of teachers leads to successful school turnaround results. The book "Leverage Leadership," written by Paul Bambrick-Santoyo and based on successful urban charter school around the country, states "Low socioeconomic schools that can offer students 3 consecutive years of strong teaching close the achievement gap, correcting for a host of external factors." Therefore, CPL needs effective teachers in every class and every grade to ensure all students are truly on track for college.

CPL utilizes a Dean of Instruction to provide coaching and feedback for ongoing support to improve instruction. The dean focused on improving the instruction for CPL teachers in many ways, including:



- Developing teachers through live coaching, modeling, regular in-class observation of practice and feedback, spending 70% of time in classrooms on teacher development across multiple grade levels.
- Creating and leading professional development sessions for individual, small group and whole staff with a focus on practice to include: 2-3 weeks of Professional Development during Summer, all scheduled Professional Development Days during the school year, practice sessions before and after school, and during teacher planning periods.
- Ensuring alignment to curriculum and fidelity to the academic model including reviewing teacher plans, organizing books and materials, participating in curriculum audits and providing additional training as needed.
- Regularly collaborating with teachers on grade level planning and data meetings designed to create action plans based on the data and ensure 1.5 grade level growth of students.

The Director of Academic Achievement, Director of Schools and Principal work together to equip the Dean of Instruction with the skills and knowledge necessary to effectively coach teachers on the dean's caseload. The dean records observations in the observation tracker based on the CEG blueprint and teacher rubric, and meets regularly with teacher to help them improve their craft. The dean reviews daily exit tickets, weekly Show What You Know Data and interim results to monitor the progress of students and the effectiveness of the teacher. The teacher and coach are held accountable for year-end goals around NWEA MAP assessment and TNReady results.

Purposeful Planning

The purpose of planning is to ensure teachers have mastered the content knowledge necessary for instruction and thought through the most critical aspects of planning for a lesson. Purposeful planning ensures that teachers understand the big ideas of the unit, the long term goals for their students as well as the individual aspects of the lesson and how their student data impacts lesson delivery. Therefore, purposeful planning assumes teachers engage in robust unit unpacking, intellectual prep, lesson execution practice, and looking at student work as part of their regular preparation and development.

Planning is critical to successful execution. We can't have great instruction or great results without a plan. In order to address the three aspects of the instructional core listed in the introduction teachers must spend a considerable amount of time planning and preparing for instruction. Each part of the purposeful planning process is designed to ensure that teachers are prepared to deliver lessons that meet all three aspects of the instructional core.

Unit/Module Unpacking: This process enables teachers to understand the flow of the unit and the key points for assessment in order to adjust instruction as well as identify and plan strategies to address the key prerequisite skill gaps that scholars may have coming into this unit and the potential misconceptions they may develop.

Intellectual Prep Process (IPP): This process enables teachers to internalize the content of their daily lessons. This process focuses on unpacking the standards and aligning the rigor of the task to the standard while also planning necessary adjustments to scaffold the lesson and meet students needs.



Action Steps

Cornerstone Prep - Lester is pleased with the growth in academic success that it has achieved during the 2018-19 school year. CPL will continue to be faithful to the mission of equipping all students with the wisdom and knowledge necessary to succeed in college and to become leaders in their community. CPL expects to build upon the growth from the last school year to accomplish the mission even more effectively. Therefore, CPL will take the following action steps that are in alignment with the promising practices outlined above.

Strong Leadership

1. Communicate to parents, staff and partners about the opportunities to increase their leadership voice at Cornerstone Prep - Lester with written criteria for selection
2. Gather all school leaders to review the school's strategic plan and be trained in evidence-based best practices
3. Convene CART to review the effectiveness of the first and second quarters and prepare plans based on identified needs for the third quarter
4. Review Community in Schools Quarter 1 caseload report
5. Update parents, staff and community and enlist their support
6. Gather school leaders for update on progress

Monitor Short- and Long-Term Goals

1. Create Gantt Chart
2. Conduct bi-weekly Gantt Chart review meetings
3. Create weekly quizzes and quarterly interim assessments to measure progress towards the school strategic plan
4. Analyze weekly quizzes and quarterly assessments
5. Record and analyze leading culture and behavior data
6. End of Year data review and adjustment. Trends for students and teachers are analyzed, root causes identified, and a revised plan created for upcoming school year

Provide High Quality Teacher Development and Training

1. Train Dean of Instruction on critical curriculum, assessments and coaching tools
2. Observe school leaders providing coaching and feedback
3. Assign Dean of Instruction a caseload of teachers
4. Model coaching and observation feedback loop
5. Conduct weekly data meeting and planning sessions with teachers, Dean of Instruction and Director of Academic Achievement
6. Provide bonus incentives for teachers, Dean of Instruction and Principal based on student achievement

Purposeful Planning

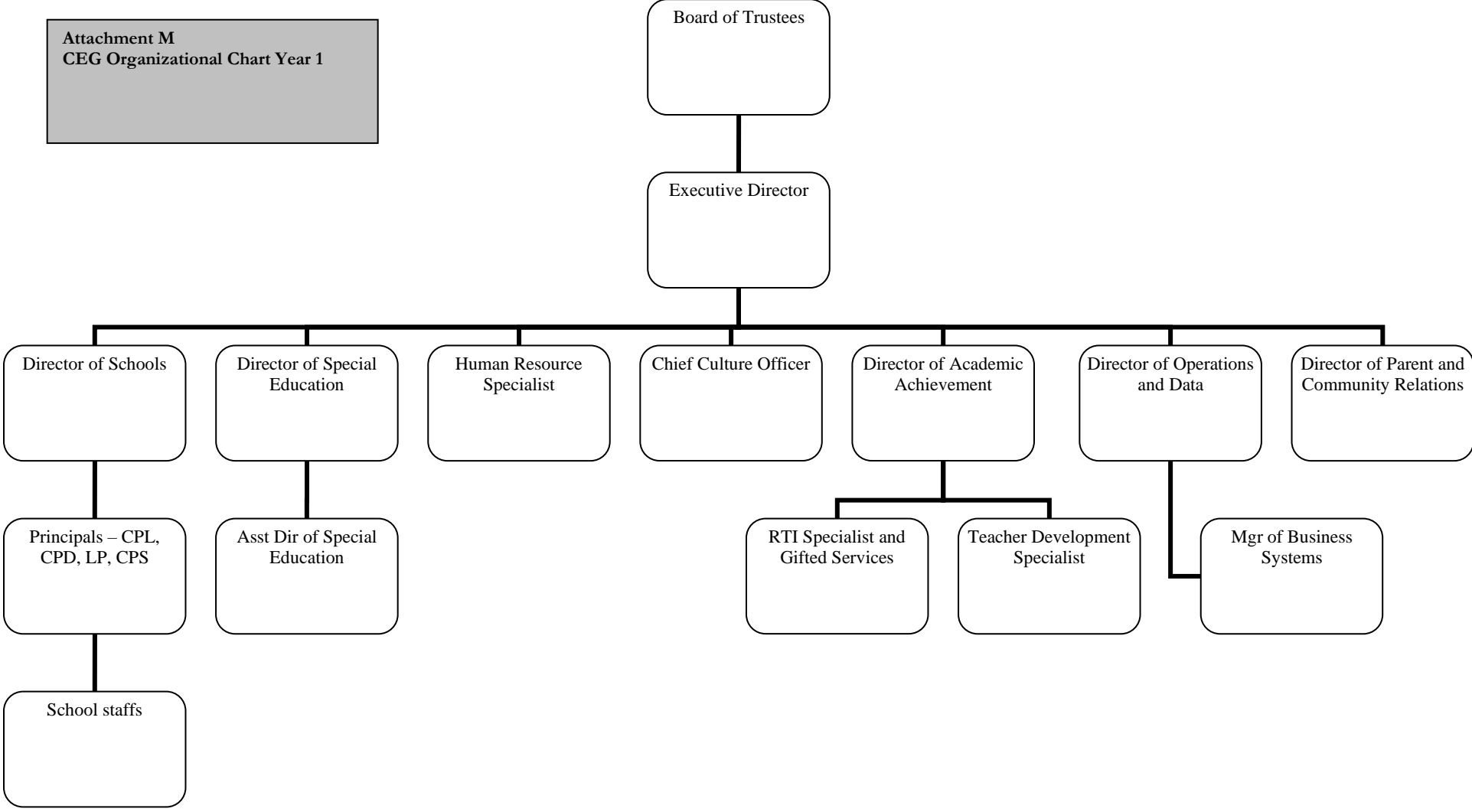
All steps are completed by teachers under the guidance of the Dean of Instruction and Principal

1. Backwards plan from the upcoming assessment
2. Develop core instruction with Lesson Plan annotation and material creation
3. Plans ways to differentiate instruction
4. Analyze weekly data to determine trends and perform root cause analysis

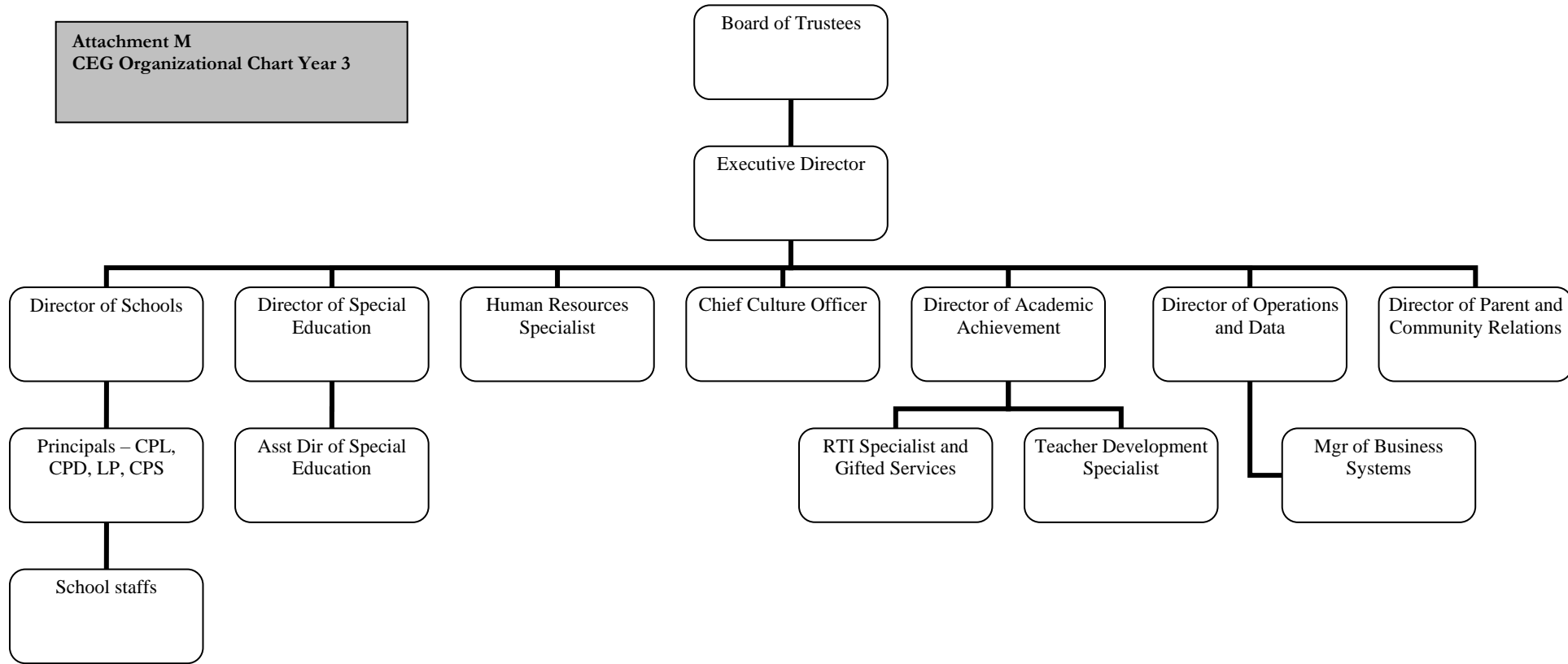


As evidenced in this report and the attached financial audit, Cornerstone Prep - Lester has been effectively governed, the school is fiscally sound, has made significant progress towards academic goals, and has satisfactorily met its legal requirements. Capstone Education Group and Cornerstone Prep - Lester believe if the school's charter is renewed its plans for the next charter are likely to be achieved.

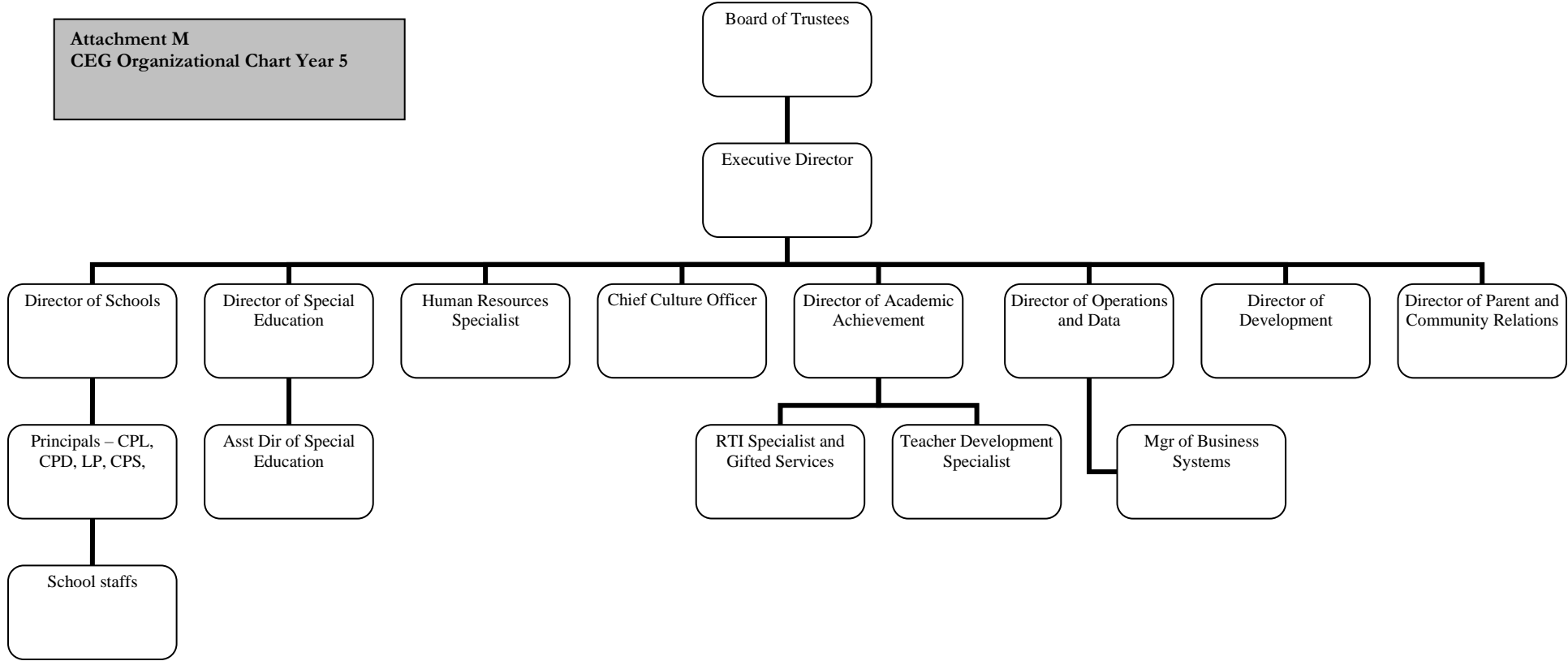
Attachment M
CEG Organizational Chart Year 1



Attachment M
CEG Organizational Chart Year 3



**Attachment M
CEG Organizational Chart Year 5**



Attachment N

There are no plans to use a CMO at this time.







**New Charter School Application Budget Template
Instructions**

Template Tabs

1) Proposed School Information	Enter proposed school name, contact information, and proposed year of opening
2) Student Assumptions	Enter enrollment and key student demographic information assumptions
3) Pre-Opening Budget	Enter budget details and assumptions for 12 month period prior to Year 1
4) Pre-Opening Cash Flow	Enter cash flow details and assumptions for 12 month period prior to Year 1
5) Years 1-5 Staff Assumptions	Enter staffing assumptions; assumptions will drive over tabs
6) Year 1 Budget	Enter budget details and assumptions for Year 1
7) Year 1 Cash Flow	Enter cash flow details and assumptions for Year 1 (July to June 12 month period)
8) Years 2 through 5 Budget	Enter budget details and assumptions for Years 2 through 5
9) Summary	Informational; enter a starting fund balance if applicable

Template Guidance

-  Input financial information into light yellow cells
-  Input assumption information or notes into light green cells
-  Provides additional information or instruction for specific tab or section of tab
-  Cells with red comment tag include additional guidance and instruction

Note: This is not a budgeting tool, but rather a standardized format for sharing key budget information for the proposed charter school. You may add additional worksheets to this workbook to otherwise supplement the information being provided on the existing worksheets.

Developed in partnership with



Template Version 02222017

**Cornerstone Prep School
New Charter School Application Budget Template
Proposed School Information**

Proposed School Name	Cornerstone Prep School
Lead Sponsor Name	Drew Sippel
Lead Sponsor E-mail Address	dsippel@cornerstoneprepmemphis.org
Lead Sponsor Phone Number	901-416-9569
CMO/EMO Affiliation	Capstone Education Group
Proposed Authorizer	Shelby County Schools
Proposed Opening Grade Level(s)	k-1
Proposed Final Grade Level(s)	k-8
Proposed First Year of Operations	2021-22

Anticipated Enrollment	Year 1	Year 2	Year 3	Year 4	Year 5
	150	225	300	375	450

Note: These cells auto-populate after completing Tab 2.

**Cornerstone Prep School
New Charter School Application Budget Template
Student Assumptions**

Enrollment Assumptions

	Year 1	Year 2	Year 3	Year 4	Year 5
	2021-22	2022-23	2023-24	2024-25	2026-27
Pre-Kindergarten (Informational Only)	0	0	0	0	0
Kindergarten	75	75	75	75	75
1st Grade	75	75	75	75	75
2nd Grade	0	75	75	75	75
3rd Grade	0	0	75	75	75
4th Grade	0	0	0	75	75
5th Grade	0	0	0	0	75
6th Grade	0	0	0	0	0
7th Grade	0	0	0	0	0
8th Grade	0	0	0	0	0
9th Grade	0	0	0	0	0
10th Grade	0	0	0	0	0
11th Grade	0	0	0	0	0
12th Grade	0	0	0	0	0
Total Enrollment (excluding Pre-Kindergarten)	150	225	300	375	450
Change in Net Enrollment	150	75	75	75	75

of Classes By Grade

	Year 1	Year 2	Year 3	Year 4	Year 5
Pre-Kindergarten (Informational Only)	0	0	0	0	0
Kindergarten	3	3	3	3	3
1st Grade	3	3	3	3	3
2nd Grade	0	3	3	3	3
3rd Grade	0	0	3	3	3
4th Grade	0	0	0	3	3
5th Grade	0	0	0	0	3
6th Grade	0	0	0	0	0
7th Grade	0	0	0	0	0
8th Grade	0	0	0	0	0
9th Grade	0	0	0	0	0
10th Grade	0	0	0	0	0
11th Grade	0	0	0	0	0
12th Grade	0	0	0	0	0
Total # of Classes	6	9	12	15	18
Change in Net # of Classes	6	3	3	3	3

**Cornerstone Prep School
New Charter School Application Budget Template
Student Assumptions**

Other Key Assumptions Enter Estimated Percentages					
SPED %	15%	15%	15%	15%	15%
SPED Count	23	34	45	56	68
ELL %	15%	15%	15%	15%	15%
ELL Count	23	34	45	56	68
Anticipated Paid %	0%	0%	0%	0%	0%
Anticipated Reduced %	0%	0%	0%	0%	0%
Anticipated Free %	100%	100%	100%	100%	100%
Anticipated Paid Count	0	0	0	0	0
Anticipated Reduced Count	0	0	0	0	0
Anticipated Free Count	150	225	300	375	450
Total Free and Reduced Count	150	225	300	375	450
School Days	175	175	175	175	175
Attendance Rate	95%	95%	95%	95%	95%

**Cornerstone Prep School
New Charter School Application Budget Template
Pre-Opening Budget**

Revenue Assumptions

Year 0
2020-21

Federal Revenues

Rate/Assumption

Amount

Assumption Notes

CSP Startup Grant

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-

Fundraising & Philanthropy

Detail any private funding sources

Other	
Other	
Other	
Other	
Other	

\$100,000
\$0
\$0
\$0
\$0

Based on CEG experience, donors will be excited about supporting the start-up of the new school

Total Revenues

100,000

Additional Space to Provide Fundraising Details

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**Cornerstone Prep School
New Charter School Application Budget Template
Pre-Opening Budget**

Compensation Assumptions

Year 0
2020-21

Administrative Staff	FTE Count	Year 0 2020-21	Assumption Notes
Principal/School Leader	0.50	\$50,393	Principal will work the full year but the new school only funds half year, as the other half of the year is funded by the CEG network through a residency role
Assistant Principal	0.00	\$0	
Special Education Coordinator	0.00	\$0	
Deans, Directors	0.00	\$0	
Other (Specify in Assumptions)	0.00	\$0	
Total Administrative Compensation	0.50	50,393	
Instructional Staff			
Teachers	0.00	\$0	
Special Education Teachers	0.00	\$0	
Educational Assistants/Aides	0.00	\$0	
Elective Teachers	0.00	\$0	
Other (Specify in Assumptions)	0.00	\$0	
Total Instructional Compensation	0.00	-	
Non-Instructional Staff			
Clerical Staff	0.00	\$0	
Custodial Staff	0.00	\$0	
Operations	0.50	\$35,000	hired Jan 1
Social Workers/Counseling	0.00	\$0	
Other (Specify in Assumptions)	0.00	\$0	
Total Non-Instructional Compensation	0.50	35,000	
Bonus		-	
Other Non FTE Compensation		-	
Other Non FTE Compensation		-	
Other Non FTE Compensation		-	
Total FTE Count	1.00		
Total Compensation		85,393	

**Cornerstone Prep School
New Charter School Application Budget Template
Pre-Opening Budget**

Employer Benefits & Tax Assumptions

Year 0
2020-21

	Base Assumption		Assumption Notes
Social Security	6.20%	\$5,294	
Medicare	1.45%	\$1,238	
State Unemployment	\$400 per employee	\$400	
Disability/Life Insurance	2.50%	\$2,135	
Workers Compensation Insurance	1.00%	\$854	
Other Fringe Benefits	0.00%	\$0	
Medical Insurance	\$0	\$3,696	Based on CEG experience and plan
Dental Insurance	\$0	\$0	
Vision Insurance	\$0	\$0	
Other Retirement	0.00%	\$8,539	
Total Employer Benefits & Taxes		22,157	

**Cornerstone Prep School
New Charter School Application Budget Template
Pre-Opening Budget**

Operating Expenses

Year 0
2020-21

Contracted Services

Assumption Notes

Professional Development	\$0	\$15,000	For leaders or early teacher hires
Financial Services	\$0	\$0	
Audit Services	\$0	\$0	
Legal Fees	\$0	\$10,000	For facility costs, procurement or lease
Copier Lease and Usage	\$0	\$0	
Internet and Phone Service	\$0	\$0	
Cell Phone Service	\$0	\$0	
Payroll Services	\$0	\$0	
Health Services	\$0	\$0	
Transportation	\$0	\$0	
IT Services	\$0	\$0	
Contracted SPED Services	\$0	\$0	
Insurance	\$0	\$0	
Postal Charges	\$0	\$0	
Bank Charges	\$0	\$0	

Supplies & Materials

Textbooks and Instructional Supplies	\$0	\$15,000	Startup for k & 1
Education Software	\$0	\$0	
Student Supplies	\$0	\$0	
Faculty Supplies	\$0	\$11,500	Startup for first 22 staff members
Library Books	\$0	\$0	
Testing & Evaluation	\$0	\$0	
Student Laptops	\$0	\$36,000	10 chromebooks per class plus one computer cart of 30 chromebooks at \$400 each
Faculty Laptops	\$0	\$17,600	22 laptops at \$800 each
Office Supplies	\$0	\$15,000	Initial startup of the office
Printing Paper	\$0	\$0	
Marketing Materials	\$0	\$20,000	brochures, giveaways, etc
Student Uniforms	\$0	\$3,500	Initial stocking of inventory
Gifts & Awards - Students	\$0	\$0	
Gifts & Awards - Teachers and Staff	\$0	\$0	
Health Supplies	\$0	\$0	

**Cornerstone Prep School
New Charter School Application Budget Template
Pre-Opening Budget**

Facility Related Expenses			
Rent	\$0	\$0	
Utilities	\$0	\$0	
Custodial	\$0	\$0	
Waste	\$0	\$0	
Faculty Furniture	\$0	\$5,000	Most will be donated
Student Furniture	\$0	\$45,000	initial purchase of furniture
Internet/Network Equipment	\$0	\$0	
Other Equipment	\$0	\$0	
Building Decorum	\$0	\$0	
Tenant Improvements	\$0	\$0	
Contingency	\$0	\$50,000	for unbudgeted items
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Other Charges			
Staff Recruitment	\$0	\$15,000	recruiting fairs, TFA and MTR fees, hiring fees
Student Recruitment & Community Engagement	\$0	\$5,000	events in the community
Parent & Staff Meetings	\$0	\$0	
Authorizer Fee	\$0	\$0	
Other	\$0	\$0	
Debt Service			
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Total Operating Expenses		263,600	
Total Expenses		371,150	

Cornerstone Prep School
New Charter School Application Budget Template
Pre-Opening Cash Flow

Cash Flow Summary

	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0
	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
Total Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	AR/AP	
Beginning Cash	1,275,000	1,275,000	1,357,083	1,349,167	1,341,250	1,333,333	1,325,417	1,302,500	1,274,158	1,245,817	1,217,475	1,144,134	1,068,192		
Revenues															
Federal Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fundraising & Philanthropy	100,000	100,000	-	-	-	-	-	-	-	-	-	-	-	100,000	-
Total Revenues	100,000	100,000	-	-	-	-	-	-	-	-	-	-	-	100,000	-
Expenses															
Staffing	85,393	-	-	-	-	-	-	14,232	14,232	14,232	14,232	14,232	14,232	85,393	-
Employer Benefits & Taxes	22,157	-	-	-	-	-	-	3,693	3,693	3,693	3,693	3,693	3,693	22,157	-
Contracted Services	25,000	10,000	-	-	-	-	-	2,500	2,500	2,500	2,500	2,500	2,500	25,000	-
Supplies & Materials	118,600	1,667	1,667	1,667	1,667	1,667	16,667	1,667	1,667	1,667	1,667	49,267	37,667	118,600	-
Facility-Related Expenses	100,000	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	49,583	4,583	4,583	100,000	-
Other Charges	20,000	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	371,150	17,917	7,917	7,917	7,917	7,917	22,917	28,342	28,342	28,342	73,342	75,942	64,342	371,150	-
Operating Income (Loss)	(271,150)	82,083	(7,917)	(7,917)	(7,917)	(7,917)	(22,917)	(28,342)	(28,342)	(28,342)	(73,342)	(75,942)	(64,342)	(271,150)	-
Changes in Accounts Receivable															
Changes in Accounts Payable															
Line of Credit Proceeds															
Line of Credit Repayments															
Other Balance Sheet Activity															
Ending Cash	1,357,083	1,349,167	1,341,250	1,333,333	1,325,417	1,302,500	1,274,158	1,245,817	1,217,475	1,144,134	1,068,192	1,003,850			

Cornerstone Prep School
New Charter School Application Budget Template
Pre-Opening Cash Flow

Details of Cash Flow

Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0
2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
Total Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	AR/AP

Revenues

Revenues

Assumption Notes

Federal Revenues

CSP Startup Grant

-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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Fundraising & Philanthropy

Working capital investment

100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	100,000	-
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Other

-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-
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Other

-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-
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Other

-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-
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Total Revenues

100,000	100,000	-	-	-	-	-	-	-	-	-	-	-	-	100,000	-
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Cornerstone Prep School
New Charter School Application Budget Template
Pre-Opening Cash Flow

Compensation															Assumption Notes	
Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0		
2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21		
Total Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	AR/AP		
Compensation																
Principal/School Leader	50,393	\$0	\$0	\$0	\$0	\$0	\$0	\$8,399	\$8,399	\$8,399	\$8,399	\$8,399	\$8,399	50,393	-	
Assistant Principal	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Special Education Coordinator	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Deans, Directors	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other (Specify in Assumptions)	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Total Administrative Compensation	50,393	-	-	-	-	-	-	8,399	8,399	8,399	8,399	8,399	8,399	50,393	-	
Instructional Staff																
Teachers	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Special Education Teachers	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Educational Assistants/Aides	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Elective Teachers	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other (Specify in Assumptions)	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Total Instructional Compensation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-Instructional Staff																
Clerical Staff	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Custodial Staff	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Operations	35,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	\$5,833	35,000	-	
Social Workers/Counseling	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other (Specify in Assumptions)	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Total Non-Instructional Compensation	35,000	-	-	-	-	-	-	5,833	5,833	5,833	5,833	5,833	5,833	35,000	-	
Bonus																
Other Non FTE Compensation	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other Non FTE Compensation	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other Non FTE Compensation	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Total Compensation	85,393	-	-	-	-	-	-	14,232	14,232	14,232	14,232	14,232	14,232	85,393	-	
Employer Benefits & Taxes															Assumption Notes	
Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0		
2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21		
Total Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	AR/AP		
Social Security	5,294	\$0	\$0	\$0	\$0	\$0	\$0	\$882	\$882	\$882	\$882	\$882	\$882	5,294	-	
Medicare	1,238	\$0	\$0	\$0	\$0	\$0	\$0	\$206	\$206	\$206	\$206	\$206	\$206	1,238	-	
State Unemployment	400	\$0	\$0	\$0	\$0	\$0	\$0	\$67	\$67	\$67	\$67	\$67	\$67	400	-	
Disability/Life Insurance	2,135	\$0	\$0	\$0	\$0	\$0	\$0	\$356	\$356	\$356	\$356	\$356	\$356	2,135	-	
Workers Compensation Insurance	854	\$0	\$0	\$0	\$0	\$0	\$0	\$142	\$142	\$142	\$142	\$142	\$142	854	-	
Other Fringe Benefits	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Medical Insurance	3,696	\$0	\$0	\$0	\$0	\$0	\$0	\$616	\$616	\$616	\$616	\$616	\$616	3,696	-	
Dental Insurance	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Vision Insurance	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other Retirement	8,539	\$0	\$0	\$0	\$0	\$0	\$0	\$1,423	\$1,423	\$1,423	\$1,423	\$1,423	\$1,423	8,539	-	
Total Employer Benefits & Taxes	22,157	-	-	-	-	-	-	3,693	3,693	3,693	3,693	3,693	3,693	22,157	-	

Cornerstone Prep School
New Charter School Application Budget Template
Pre-Opening Cash Flow

Operating Expenses

Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0	Year 0
2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
Total Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	AR/AP

Assumption Notes

Contracted Services

Professional Development	15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	15,000	-	Professional Development
Financial Services	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Financial Services
Audit Services	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Audit Services
Legal Fees	10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	10,000	-	Legal Fees
Copier Lease and Usage	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Copier Lease and Usage
Internet and Phone Service	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Internet and Phone Service
Cell Phone Service	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Cell Phone Service
Payroll Services	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Payroll Services
Health Services	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Health Services
Transportation	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Transportation
IT Services	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	IT Services
Contracted SPED Services	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Contracted SPED Services
Insurance	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Insurance
Postal Charges	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Postal Charges
Bank Charges	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Bank Charges

Supplies & Materials

Textbooks and Instructional Supplies	15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000	\$0	15,000	-	Textbooks and Instructional Supplies
Education Software	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Education Software
Student Supplies	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Student Supplies
Faculty Supplies	11,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,500	\$0	11,500	-	Faculty Supplies
Library Books	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Library Books
Testing & Evaluation	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Testing & Evaluation
Student Laptops	36,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,000	36,000	-	Student Laptops
Faculty Laptops	17,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,600	\$0	17,600	-	Faculty Laptops
Office Supplies	15,000	\$0	\$0	\$0	\$0	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	15,000	-	Office Supplies
Printing Paper	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Printing Paper
Marketing Materials	20,000	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	\$1,667	20,000	-	Marketing Materials
Student Uniforms	3,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500	\$0	3,500	-	Student Uniforms
Gifts & Awards - Students	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Gifts & Awards - Students
Gifts & Awards - Teachers and Staff	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Gifts & Awards - Teachers and Staff
Health Supplies	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Health Supplies

Cornerstone Prep School
New Charter School Application Budget Template
Pre-Opening Cash Flow

Facility Related Expenses																
Rent	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Rent
Utilities	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Utilities
Custodial	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Custodial
Waste	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Waste
Faculty Furniture	5,000	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	5,000	-	Faculty Furniture
Student Furniture	45,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$0	\$0	45,000	-	Student Furniture
Internet/Network Equipment	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Internet/Network Equipment
Other Equipment	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Other Equipment
Building Decorum	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Building Decorum
Tenant Improvements	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Tenant Improvements
Contingency	50,000	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	50,000	-	Other
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Other
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Other
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Other
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Other
Other Charges																
Staff Recruitment	15,000	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	15,000	-	Staff Recruitment
Student Recruitment & Community Engagement	5,000	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	5,000	-	Student Recruitment & Community Engagement
Parent & Staff Meetings	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Parent Meetings
Authorizer Fee	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Staff Meetings
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Other
Debt Service																
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Operating Expenses																
	263,600	17,917	7,917	7,917	7,917	7,917	22,917	10,417	10,417	10,417	55,417	58,017	46,417	263,600	-	
Total Expenses																
	371,150	17,917	7,917	7,917	7,917	7,917	22,917	28,342	28,342	28,342	73,342	75,942	64,342	371,150	-	

**Cornerstone Prep School
New Charter School Application Budget Template
Year 1-5 Staff Assumptions**

FTE Assumptions

	Year 1	Year 2	Year 3	Year 4	Year 5
Fiscal Year	2021-22	2022-23	2023-24	2024-25	2026-27
Enrollment	150	225	300	375	450
# of Classes	6	9	12	15	18
Administrative Staff					
Principal/School Leader	1.00	1.00	1.00	1.00	1.00
Assistant Principal	1.00	1.00	1.00	1.00	1.00
Special Education Coordinator	0.00	0.00	0.00	0.00	0.00
Deans, Directors	1.00	1.00	2.00	3.00	3.00
Other (Specify in Assumptions)	0.00	0.00	0.00	0.00	0.00
Total Administrative FTE	3.00	3.00	4.00	5.00	5.00
Instructional Staff					
Teachers	9.00	12.00	15.00	18.00	21.00
Special Education Teachers	2.00	2.00	2.00	4.00	5.00
Educational Assistants/Aides	1.00	1.00	1.00	1.00	2.00
Elective Teachers	2.00	2.00	2.00	3.00	3.00
Other (Specify in Assumptions)	0.50	0.50	0.50	1.00	3.00
Total Instructional FTE	14.50	17.50	20.50	27.00	34.00
Non-Instructional Staff					
Clerical Staff	1.00	1.00	1.00	2.00	3.00
Custodial Staff	0.00	0.00	0.00	0.00	0.00
Operations	1.00	1.00	1.00	1.00	1.00
Social Workers/Counseling	1.00	1.00	2.00	2.00	3.00
Other (Specify in Assumptions)	1.00	1.00	1.00	1.00	1.00
Total Non-Instructional FTE	4.00	4.00	5.00	6.00	8.00
Total FTE	21.50	24.50	29.50	38.00	47.00

**Cornerstone Prep School
New Charter School Application Budget Template
Year 1-5 Staff Assumptions**

Compensation Assumptions

		Year 1 2021-22	Year 2 2022-23	Year 3 2023-24	Year 4 2024-25	Year 5 2026-27	
Annual Increase		3.00%	3.00%	3.00%	3.00%	3.00%	
Cumulative Increase		103.00%	106.09%	109.27%	112.55%	115.93%	
Administrative Staff							Assumption Notes
	Base Assumption						
Principal/School Leader	\$103,809	106,923	110,131	113,435	116,838	120,343	
Assistant Principal	\$92,882	95,668	98,539	101,495	104,540	107,676	
Special Education Coordinator	\$0	-	-	-	-	-	
Deans, Directors	\$77,278	79,596	81,984	168,888	260,931	268,759	
Other (Specify in Assumptions)	\$0	-	-	-	-	-	
Total Administrative Compensation		282,188	290,654	383,817	482,309	496,778	
Instructional Staff							
Teachers	\$49,500	458,865	630,175	811,350	1,002,828	1,205,065	Add teachers for each new grade and 3 sections includes self-contained
Special Education Teachers	\$52,500	108,150	111,395	114,736	236,357	304,309	
Educational Assistants/Aides	\$31,689	32,640	33,619	34,627	35,666	73,472	
Elective Teachers	\$46,500	95,790	98,664	101,624	157,008	161,719	
Other (Specify in Assumptions)	\$52,500	27,038	27,849	28,684	59,089	182,586	EL teacher and RTI
Total Instructional Compensation		722,482	901,700	1,091,021	1,490,949	1,927,152	
Non-Instructional Staff							
Clerical Staff	\$31,143	32,077	33,040	34,031	70,103	108,310	add office support as the school grows
Custodial Staff	\$0	-	-	-	-	-	
Operations	\$72,100	74,263	76,491	78,786	81,149	83,584	
Social Workers/Counseling	\$49,537	51,023	52,554	108,261	111,509	172,281	add behavior team members as school grows
Other (Specify in Assumptions)	\$36,050	37,132	38,245	39,393	40,575	41,792	nurse
Total Non-Instructional Compensation		194,495	200,330	260,470	303,336	405,966	
Bonus		32,218	41,598	48,633	56,840	68,565	based on student achievement
Other Compensation		-	-	-	-	-	
Other Compensation		-	-	-	-	-	
Other Compensation		-	-	-	-	-	
Total Compensation		1,231,383	1,434,282	1,783,941	2,333,434	2,898,461	

**Cornerstone Prep School
New Charter School Application Budget Template
Year 1-5 Staff Assumptions**

Employer Benefits & Tax Assumptions

		Year 1 2021-22	Year 2 2022-23	Year 3 2023-24	Year 4 2024-25	Year 5 2026-27	Assumption Notes
Base Assumption							
Social Security	6.20%	\$76,346	\$88,925	\$110,604	\$144,673	\$179,705	
Medicare	1.45%	\$17,855	\$20,797	\$25,867	\$33,835	\$42,028	
State Unemployment	\$400 per employee	\$8,600	\$9,800	\$11,800	\$15,200	\$18,800	
Disability/Life Insurance	0.00%	\$0	\$0	\$0	\$0	\$0	
Workers Compensation Insurance	1.00%	\$12,314	\$14,343	\$17,839	\$23,334	\$28,985	
Other Fringe Benefits	0.00%	\$0	\$0	\$0	\$0	\$0	
Health Insurance							
Annual Increase		7.00%	7.00%	7.00%	7.00%	7.00%	
Cumulative Increase		107.00%	114.49%	122.50%	131.08%	140.26%	
Medical Insurance	\$330	\$81,072	\$103,673	\$146,890	\$171,748	\$207,905	based on CEG plan and experience
Dental Insurance	\$0	\$0	\$0	\$0	\$0	\$0	staff may purchase
Vision Insurance	\$0	\$0	\$0	\$0	\$0	\$0	staff may purchase
TCRS Certified Legacy	10.00%	\$123,138	\$143,428	\$178,394	\$233,343	\$289,846	assume all eligible staff are legacy
TCRS Certified Hybrid	0.00%	\$0	\$0	\$0	\$0	\$0	
TCRS Classified Legacy	0.00%	\$0	\$0	\$0	\$0	\$0	
TCRS Classified Hybrid	0.00%	\$0	\$0	\$0	\$0	\$0	
Other Classified Retirement	0.00%	\$0	\$0	\$0	\$0	\$0	
Other Retirement	0.00%	\$0	\$0	\$0	\$0	\$0	

**Cornerstone Prep School
New Charter School Application Budget Template
Year 1 Budget**

Revenue Assumptions

	Year 1
	2021-22
Annual Revenue Increase	0.00%
Cumulative Increase	100.00%

State Revenues	Rate/Assumption		Assumption Notes
Basic Education Program	\$9,249	\$1,387,326	based on core BEP with no capital outlay or transportation
BEP Transportation Component	\$0	\$0	
BEP Capital Outlay	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Federal Revenues	\$0	\$0	
Title I	\$300	\$45,000	
Title II	\$0	\$0	
Title III	\$0	\$0	
NSLP	\$0	\$0	
E-Rate	\$0	\$0	
CSP Startup Grant	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
School Activity Revenues			
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Fundraising & Philanthropy			
Other	\$50,000	\$75,000	
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Total Revenues		1,507,326	

**Cornerstone Prep School
New Charter School Application Budget Template
Year 1 Budget**

Compensation

Year 1
2021-22

	FTE Count		Assumption Notes
Administrative Staff			
Principal/School Leader	1.00	106,923	
Assistant Principal	1.00	95,668	
Special Education Coordinator	0.00	-	
Deans, Directors	1.00	79,596	Dean of instruction k-2
Other (Specify in Assumptions)	0.00	-	
Total Administrative Compensation	3.00	282,188	
Instructional Staff			
Teachers	9.00	458,865	2 kinder teachers in each classroom, 1 in first grade
Special Education Teachers	2.00	108,150	1 selfcontained, 1 inclusion
Educational Assistants/Aides	1.00	32,640	
Elective Teachers	2.00	95,790	
Other (Specify in Assumptions)	0.50	27,038	EL part-time
Total Instructional Compensation	14.50	722,482	
Non-Instructional Staff			
Clerical Staff	1.00	32,077	office
Custodial Staff	0.00	-	
Operations	1.00	74,263	dean of ops
Social Workers/Counseling	1.00	51,023	counselor
Other (Specify in Assumptions)	1.00	37,132	nurse
Total Non-Instructional Compensation	4.00	194,495	
Bonus		32,218	based on student achievement
Other Compensation		-	
Other Compensation		-	
Other Compensation		-	
Total Compensation		1,231,383	

Employer Benefits & Taxes

Year 1
2021-22

		Assumption Notes
Social Security	76,346	
Medicare	17,855	
State Unemployment	8,600	
Disability/Life Insurance	-	
Workers Compensation Insurance	12,314	
Other Fringe Benefits	-	
Medical Insurance	81,072	based on CEG experience
Dental Insurance	-	
Vision Insurance	-	
TCRS Certified Legacy	123,138	assume all employees participate in legacy
TCRS Certified Hybrid	-	

Cornerstone Prep School
New Charter School Application Budget Template
Year 1 Budget

TCRS Classified Legacy	-	
TCRS Classified Hybrid	-	
Other Classified Retirement	-	
Other Retirement	-	
Total Employer Benefits & Taxes		319,325

**Cornerstone Prep School
New Charter School Application Budget Template
Year 1 Budget**

Operating Expenses

Year 1
2021-22

Assumption Notes

Contracted Services

	\$0	\$4,500	Most PD provided in house or the network
Professional Development	\$0	\$4,500	Most PD provided in house or the network
Financial Services	\$0	\$0	
Audit Services	\$0	\$0	
Legal Fees	\$0	\$0	
Copier Lease and Usage	\$0	\$9,600	
Internet and Phone Service	\$0	\$5,000	assume ENA funded
Cell Phone Service	\$0	\$0	
Payroll Services	\$0	\$0	
Health Services	\$0	\$0	
Transportation	\$0	\$75,000	assumes 1 bus
IT Services	\$0	\$7,500	based on Ceg experience
Contracted SPED Services	\$0	\$30,000	outosurce services or children not served on the campus
Insurance	\$0	\$5,000	things not covered by netwrok insurance
Postal Charges	\$0	\$1,200	
Bank Charges	\$0	\$0	

Supplies & Materials

	\$0	\$7,500	mostly supplies - CGE does not use textbooks
Textbooks and Instructional Supplies	\$0	\$7,500	mostly supplies - CGE does not use textbooks
Education Software	\$0	\$0	
Student Supplies	\$0	\$2,500	
Faculty Supplies	\$0	\$0	
Library Books	\$0	\$5,000	Initial stocking of library
Testing & Evaluation	\$0	\$10,000	Primarily for SPED testing
Student Laptops	\$0	\$18,000	10 per classrooms plus 1 charging cart of 30 at \$400 each
Faculty Laptops	\$0	\$19,350	1 per staff member at \$800
Office Supplies	\$0	\$10,000	basic supplies
Printing Paper	\$0	\$10,000	copy paper
Marketing Materials	\$0	\$1,500	
Student Uniforms	\$0	\$0	
Gifts & Awards - Students	\$0	\$2,500	
Gifts & Awards - Teachers and Staff	\$0	\$1,000	
Health Supplies	\$0	\$1,000	

**Cornerstone Prep School
New Charter School Application Budget Template
Year 1 Budget**

Facility Related Expenses

Rent	\$0	\$114,750	Assume SCS rate of \$4.59 per sq foot and 25,000 square feet
Utilities	\$0	\$25,000	Based on CEG experience
Custodial	\$0	\$41,667	Based on CEG experience
Waste	\$0	\$2,500	Based on CEG experience
Faculty Furniture	\$0	\$1,000	Based on CEG experience
Student Furniture	\$0	\$22,500	Initial startup for classrooms and common space
Internet/Network Equipment	\$0	\$2,500	
Other Equipment	\$0	\$3,500	
Building Decorum	\$0	\$0	
Tenant Improvements	\$0	\$75,000	one-time for building renovations
Contingency	\$0	\$50,000	for anything unbudgeted
Certified subs	\$0	\$10,000	Based on CEG experience
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	

Other Charges

Staff Recruitment	\$0	\$2,500	
Student Recruitment & Community Engagement	\$0	\$2,500	community and parent events
Parent & Staff Meetings	\$0	\$1,500	
Authorizer Fee	\$0	\$35,000	assues CS rate of \$35,000
Contract services	\$0	\$40,000	for all services not included in the lease

Debt Service

Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	
Other	\$0	\$0	

Total Operating Expenses

656,067

Total Expenses

2,206,775

**Cornerstone Prep School
New Charter School Application Budget Template
Year 1 Cash Flow**

Cash Flow Summary

	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22	Year 1 2021-22
Total Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	AR/AP	
Beginning Cash	1,003,850	1,003,850	945,563	887,276	828,988	770,701	712,413	654,126	595,838	537,551	479,264	420,976	362,689		
Revenues															
State Revenues	1,387,326	115,611	115,611	115,611	115,611	115,611	115,611	115,611	115,611	115,611	115,611	115,611	115,611	1,387,326	-
Federal Revenues	45,000	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	45,000	-
School Activity Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fundraising & Philanthropy	75,000	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000	-
Total Revenues	1,507,326	125,611	125,611	125,611	125,611	125,611	125,611	125,611	125,611	125,611	125,611	125,611	125,611	1,507,326	-
Expenses															
Staffing	1,231,383	102,615	102,615	102,615	102,615	102,615	102,615	102,615	102,615	102,615	102,615	102,615	102,615	1,231,383	-
Employer Benefits & Taxes	319,325	26,610	26,610	26,610	26,610	26,610	26,610	26,610	26,610	26,610	26,610	26,610	26,610	319,325	-
Contracted Services	137,800	11,483	11,483	11,483	11,483	11,483	11,483	11,483	11,483	11,483	11,483	11,483	11,483	137,800	-
Supplies & Materials	88,350	7,363	7,363	7,363	7,363	7,363	7,363	7,363	7,363	7,363	7,363	7,363	7,363	88,350	-
Facility-Related Expenses	348,417	29,035	29,035	29,035	29,035	29,035	29,035	29,035	29,035	29,035	29,035	29,035	29,035	348,417	-
Other Charges	81,500	6,792	6,792	6,792	6,792	6,792	6,792	6,792	6,792	6,792	6,792	6,792	6,792	81,500	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	2,206,775	183,898	183,898	183,898	183,898	183,898	183,898	183,898	183,898	183,898	183,898	183,898	183,898	2,206,775	-
Operating Income (Loss)	(699,449)	(58,287)	(58,287)	(58,287)	(58,287)	(58,287)	(58,287)	(58,287)	(58,287)	(58,287)	(58,287)	(58,287)	(58,287)	(699,449)	-
Changes in Accounts Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in Accounts Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Line of Credit Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Line of Credit Repayments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Balance Sheet Activity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash	945,563	887,276	828,988	770,701	712,413	654,126	595,838	537,551	479,264	420,976	362,689	304,401			

Cornerstone Prep School
New Charter School Application Budget Template
Year 1 Cash Flow

Details of Cash Flow

Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1
2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22
Total Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	AR/AP	

Revenues

Revenues

Assumption Notes

State Revenues

Assumption Notes

Basic Education Program	1,387,326	\$115,611	\$115,611	\$115,611	\$115,611	\$115,611	\$115,611	\$115,611	\$115,611	\$115,611	\$115,611	\$115,611	\$115,611	1,387,326	-	
BEP Transportation Component	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
BEP Capital Outlay	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	

Federal Revenues

Title I	45,000	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	\$3,750	45,000	-	
Title II	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Title III	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
NSLP	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
E-Rate	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
CSP Startup Grant	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	

School Activity Revenues

Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	

Fundraising & Philanthropy

Other	75,000	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	75,000	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	

Total Revenues

	1,507,326	125,611	125,611	125,611	125,611	125,611	125,611	125,611	125,611	125,611	125,611	125,611	125,611	1,507,326	-	
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Cornerstone Prep School
New Charter School Application Budget Template
Year 1 Cash Flow

Compensation

Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1
2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22
Total Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	AR/AP	

Compensation

	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Assumption Notes
	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	
Principal/School Leader	106,923	\$8,910	\$8,910	\$8,910	\$8,910	\$8,910	\$8,910	\$8,910	\$8,910	\$8,910	\$8,910	\$8,910	\$8,910	106,923	-	
Assistant Principal	95,668	\$7,972	\$7,972	\$7,972	\$7,972	\$7,972	\$7,972	\$7,972	\$7,972	\$7,972	\$7,972	\$7,972	\$7,972	95,668	-	
Special Education Coordinator	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Deans, Directors	79,596	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	\$6,633	79,596	-	
Other (Specify in Assumptions)	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Total Administrative Compensation	282,188	23,516	23,516	23,516	23,516	23,516	23,516	23,516	23,516	23,516	23,516	23,516	23,516	282,188	-	

Instructional Staff

Teachers	458,865	\$38,239	\$38,239	\$38,239	\$38,239	\$38,239	\$38,239	\$38,239	\$38,239	\$38,239	\$38,239	\$38,239	\$38,239	458,865	-	
Special Education Teachers	108,150	\$9,013	\$9,013	\$9,013	\$9,013	\$9,013	\$9,013	\$9,013	\$9,013	\$9,013	\$9,013	\$9,013	\$9,013	108,150	-	
Educational Assistants/Aides	32,640	\$2,720	\$2,720	\$2,720	\$2,720	\$2,720	\$2,720	\$2,720	\$2,720	\$2,720	\$2,720	\$2,720	\$2,720	32,640	-	
Elective Teachers	95,790	\$7,983	\$7,983	\$7,983	\$7,983	\$7,983	\$7,983	\$7,983	\$7,983	\$7,983	\$7,983	\$7,983	\$7,983	95,790	-	
Other (Specify in Assumptions)	27,038	\$2,253	\$2,253	\$2,253	\$2,253	\$2,253	\$2,253	\$2,253	\$2,253	\$2,253	\$2,253	\$2,253	\$2,253	27,038	-	
Total Instructional Compensation	722,482	60,207	60,207	60,207	60,207	60,207	60,207	60,207	60,207	60,207	60,207	60,207	60,207	722,482	-	

Non-Instructional Staff

Clerical Staff	32,077	\$2,673	\$2,673	\$2,673	\$2,673	\$2,673	\$2,673	\$2,673	\$2,673	\$2,673	\$2,673	\$2,673	\$2,673	32,077	-	
Custodial Staff	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Operations	74,263	\$6,189	\$6,189	\$6,189	\$6,189	\$6,189	\$6,189	\$6,189	\$6,189	\$6,189	\$6,189	\$6,189	\$6,189	74,263	-	
Social Workers/Counseling	51,023	\$4,252	\$4,252	\$4,252	\$4,252	\$4,252	\$4,252	\$4,252	\$4,252	\$4,252	\$4,252	\$4,252	\$4,252	51,023	-	
Other (Specify in Assumptions)	37,132	\$3,094	\$3,094	\$3,094	\$3,094	\$3,094	\$3,094	\$3,094	\$3,094	\$3,094	\$3,094	\$3,094	\$3,094	37,132	-	
Total Non-Instructional Compensation	194,495	16,208	16,208	16,208	16,208	16,208	16,208	16,208	16,208	16,208	16,208	16,208	16,208	194,495	-	

Bonus

Bonus	32,218	\$2,685	\$2,685	\$2,685	\$2,685	\$2,685	\$2,685	\$2,685	\$2,685	\$2,685	\$2,685	\$2,685	\$2,685	32,218	-	
Other Compensation	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other Compensation	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other Compensation	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	

Total Compensation

Total Compensation	1,231,383	102,615	102,615	102,615	102,615	102,615	102,615	102,615	102,615	102,615	102,615	102,615	102,615	1,231,383	-	
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Employer Benefits & Taxes

Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1
2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22
Total Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	AR/AP	

Social Security	76,346	\$6,362	\$6,362	\$6,362	\$6,362	\$6,362	\$6,362	\$6,362	\$6,362	\$6,362	\$6,362	\$6,362	\$6,362	76,346	-	
Medicare	17,855	\$1,488	\$1,488	\$1,488	\$1,488	\$1,488	\$1,488	\$1,488	\$1,488	\$1,488	\$1,488	\$1,488	\$1,488	17,855	-	
State Unemployment	8,600	\$717	\$717	\$717	\$717	\$717	\$717	\$717	\$717	\$717	\$717	\$717	\$717	8,600	-	
Disability/Life Insurance	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Workers Compensation Insurance	12,314	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	\$1,026	12,314	-	
Other Fringe Benefits	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Medical Insurance	81,072	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	\$6,756	81,072	-	
Dental Insurance	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Vision Insurance	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
TCRS Certified Legacy	123,138	\$10,262	\$10,262	\$10,262	\$10,262	\$10,262	\$10,262	\$10,262	\$10,262	\$10,262	\$10,262	\$10,262	\$10,262	123,138	-	
TCRS Certified Hybrid	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
TCRS Classified Legacy	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
TCRS Classified Hybrid	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other Classified Retirement	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Other Retirement	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	
Total Employer Benefits & Taxes	319,325	26,610	26,610	26,610	26,610	26,610	26,610	26,610	26,610	26,610	26,610	26,610	26,610	319,325	-	

**Cornerstone Prep School
New Charter School Application Budget Template
Year 1 Cash Flow**

Operating Expenses

Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1
2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22
Total Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total	AR/AP	

Contracted Services

	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Year 1	Assumption Notes
	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	2021-22	
Professional Development	4,500	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375	\$375	4,500	-	Professional Development
Financial Services	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Financial Services
Audit Services	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Audit Services
Legal Fees	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Legal Fees
Copier Lease and Usage	9,600	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	\$800	9,600	-	Copier Lease and Usage
Internet and Phone Service	5,000	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	5,000	-	Internet and Phone Service
Cell Phone Service	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Cell Phone Service
Payroll Services	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Payroll Services
Health Services	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Health Services
Transportation	75,000	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	75,000	-	Transportation
IT Services	7,500	\$625	\$625	\$625	\$625	\$625	\$625	\$625	\$625	\$625	\$625	\$625	\$625	7,500	-	IT Services
Contracted SPED Services	30,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	30,000	-	Contracted SPED Services
Insurance	5,000	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	5,000	-	Insurance
Postal Charges	1,200	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	1,200	-	Postal Charges
Bank Charges	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Bank Charges

Supplies & Materials

Textbooks and Instructional Supplies	7,500	\$625	\$625	\$625	\$625	\$625	\$625	\$625	\$625	\$625	\$625	\$625	\$625	7,500	-	Textbooks and Instructional Supplies
Education Software	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Education Software
Student Supplies	2,500	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	2,500	-	Student Supplies
Faculty Supplies	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Faculty Supplies
Library Books	5,000	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	\$417	5,000	-	Library Books
Testing & Evaluation	10,000	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	10,000	-	Testing & Evaluation
Student Laptops	18,000	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	18,000	-	Student Laptops
Faculty Laptops	19,350	\$1,613	\$1,613	\$1,613	\$1,613	\$1,613	\$1,613	\$1,613	\$1,613	\$1,613	\$1,613	\$1,613	\$1,613	19,350	-	Faculty Laptops
Office Supplies	10,000	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	10,000	-	Office Supplies
Printing Paper	10,000	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	10,000	-	Printing Paper
Marketing Materials	1,500	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	1,500	-	Marketing Materials
Student Uniforms	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Student Uniforms
Gifts & Awards - Students	2,500	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	2,500	-	Gifts & Awards - Students
Gifts & Awards - Teachers and Staff	1,000	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	1,000	-	Gifts & Awards - Teachers and Staff
Health Supplies	1,000	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	1,000	-	Health Supplies

Cornerstone Prep School
New Charter School Application Budget Template
Year 1 Cash Flow

Facility Related Expenses																
Rent	114,750	\$9,563	\$9,563	\$9,563	\$9,563	\$9,563	\$9,563	\$9,563	\$9,563	\$9,563	\$9,563	\$9,563	\$9,563	114,750	-	Rent
Utilities	25,000	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	25,000	-	Utilities
Custodial	41,667	\$3,472	\$3,472	\$3,472	\$3,472	\$3,472	\$3,472	\$3,472	\$3,472	\$3,472	\$3,472	\$3,472	\$3,472	41,667	-	Custodial
Waste	2,500	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	2,500	-	Waste
Faculty Furniture	1,000	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83	1,000	-	Faculty Furniture
Student Furniture	22,500	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	\$1,875	22,500	-	Student Furniture
Internet/Network Equipment	2,500	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	2,500	-	Internet/Network Equipment
Other Equipment	3,500	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	\$292	3,500	-	Other Equipment
Building Decorum	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Building Decorum
Tenant Improvements	75,000	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	\$6,250	75,000	-	Tenant Improvements
Contingency	50,000	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	50,000	-	Contingency
Certified subs	10,000	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	\$833	10,000	-	certified subs
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Other
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Other
Other	-	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Other
Other Charges																
Staff Recruitment	2,500	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	2,500	-	Staff Recruitment
Student Recruitment & Community Eng	2,500	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	\$208	2,500	-	Student Recruitment & Community Engagement
Parent & Staff Meetings	1,500	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	1,500	-	Parent Meetings
Authorizer Fee	35,000	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	35,000	-	Authorizer fee
Contract services	40,000	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	\$3,333	40,000	-	Contract services
Debt Service																
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	656,067	54,672	54,672	54,672	54,672	54,672	54,672	54,672	54,672	54,672	54,672	54,672	54,672	656,067	-	
Total Expenses	2,206,775	183,898	183,898	183,898	183,898	183,898	183,898	183,898	183,898	183,898	183,898	183,898	183,898	2,206,775	-	

Cornerstone Prep School
New Charter School Application Budget Template
Year 2 Through 5 Budget

Revenue Assumptions

	Year 1	Year 2	Year 3	Year 4	Year 5
Annual Revenue Increase	2021-22	2022-23	2023-24	2024-25	2026-27
	3.00%	3.00%	3.00%	3.00%	3.00%
Cumulative Increase	100.00%	103.00%	106.09%	109.27%	112.55%

State Revenues

	Assumption	Year 1	Year 2	Year 3	Year 4	Year 5	Assumption Notes
Basic Education Program	\$0	1,387,326	\$2,143,419	\$2,943,629	\$3,789,922	\$4,684,344	assumes 3% BEP increase annually
BEP Transportation Component	\$0	-	\$0	\$0	\$0	\$0	
BEP Capital Outlay	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	

Federal Revenues

Title I	\$0	45,000	\$69,525	\$92,700	\$115,875	\$139,050	
Title II	\$0	-	\$0	\$0	\$0	\$0	
Title III	\$0	-	\$0	\$0	\$0	\$0	
NSLP	\$0	-	\$0	\$0	\$0	\$0	
E-Rate	\$0	-	\$0	\$0	\$0	\$0	
CSP Startup Grant	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	

School Activity Revenues

Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	

Fundraising & Philanthropy

Other	\$0	75,000	\$75,000	\$75,000	\$75,000	\$75,000	
Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	

Total Revenues

1,507,326 2,287,944 3,111,329 3,980,797 4,898,394

Cornerstone Prep School
New Charter School Application Budget Template
Year 2 Through 5 Budget

Compensation

Year 1	Year 2	Year 3	Year 4	Year 5
2021-22	2022-23	2023-24	2024-25	2026-27

Assumption Notes

Administrative Staff

Principal/School Leader	106,923	110,131	113,435	116,838	120,343	
Assistant Principal	95,668	98,539	101,495	104,540	107,676	
Special Education Coordinator	-	-	-	-	-	CEG network provides this
Deans, Directors	79,596	81,984	168,888	260,931	268,759	Add two 3-5 deans of instruction
Other (Specify in Assumptions)	-	-	-	-	-	
Total Administrative Compensation	282,188	290,654	383,817	482,309	496,778	

Instructional Staff

Teachers	458,865	630,175	811,350	1,002,828	1,205,065	
Special Education Teachers	108,150	111,395	114,736	236,357	304,309	
Educational Assistants/Aides	32,640	33,619	34,627	35,666	73,472	
Elective Teachers	95,790	98,664	101,624	157,008	161,719	add a 3rd teacher when school size requires it
Other (Specify in Assumptions)	27,038	27,849	28,684	59,089	182,586	
Total Instructional Compensation	722,482	901,700	1,091,021	1,490,949	1,927,152	

Non-Instructional Staff

Clerical Staff	32,077	33,040	34,031	70,103	108,310	add additional office support staff in years 4 and 5
Custodial Staff	-	-	-	-	-	
Operations	74,263	76,491	78,786	81,149	83,584	
Social Workers/Counseling	51,023	52,554	108,261	111,509	172,281	add behavior team members as needed
Other (Specify in Assumptions)	37,132	38,245	39,393	40,575	41,792	
Total Non-Instructional Compensation	194,495	200,330	260,470	303,336	405,966	

Bonus	32,218	41,598	48,633	56,840	68,565	based on academic achievement
Other Compensation	-	-	-	-	-	
Other Compensation	-	-	-	-	-	
Other Compensation	-	-	-	-	-	

Total Compensation	1,231,383	1,434,282	1,783,941	2,333,434	2,898,461	
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**Cornerstone Prep School
New Charter School Application Budget Template
Year 2 Through 5 Budget**

Employer Benefits & Taxes

Year 1	Year 2	Year 3	Year 4	Year 5
2021-22	2022-23	2023-24	2024-25	2026-27

Assumption Notes

Social Security	76,346	88,925	110,604	144,673	179,705	
Medicare	17,855	20,797	25,867	33,835	42,028	
State Unemployment	8,600	9,800	11,800	15,200	18,800	
Disability/Life Insurance	-	-	-	-	-	
Workers Compensation Insurance	12,314	14,343	17,839	23,334	28,985	
Other Fringe Benefits	-	-	-	-	-	
Medical Insurance	81,072	103,673	146,890	171,748	207,905	
Dental Insurance	-	-	-	-	-	
Vision Insurance	-	-	-	-	-	
TCRS Certified Legacy	123,138	143,428	178,394	233,343	289,846	
TCRS Certified Hybrid	-	-	-	-	-	
TCRS Classified Legacy	-	-	-	-	-	
TCRS Classified Hybrid	-	-	-	-	-	
Other Classified Retirement	-	-	-	-	-	
Other Retirement	-	-	-	-	-	

Total Employer Benefits & Taxes	319,325	380,967	491,395	622,133	767,268	
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**Cornerstone Prep School
New Charter School Application Budget Template
Year 2 Through 5 Budget**

Operating Expenses

	Year 1	Year 2	Year 3	Year 4	Year 5
	2021-22	2022-23	2023-24	2024-25	2026-27
Annual Expense Increase	3.00%	3.00%	3.00%	3.00%	3.00%
Cumulative Increase	103.00%	106.09%	109.27%	112.55%	115.93%

Assumption Notes

Contracted Services

Professional Development	\$0	4,500	\$4,635	\$4,774	\$4,917	\$5,065	
Financial Services	\$0	-	\$0	\$0	\$0	\$0	
Audit Services	\$0	-	\$0	\$0	\$0	\$0	
Legal Fees	\$0	-	\$0	\$0	\$0	\$0	
Copier Lease and Usage	\$0	9,600	\$9,888	\$10,185	\$10,490	\$10,805	
Internet and Phone Service	\$0	5,000	\$5,150	\$5,305	\$5,464	\$5,628	
Cell Phone Service	\$0	-	\$0	\$0	\$0	\$0	
Payroll Services	\$0	-	\$0	\$0	\$0	\$0	
Health Services	\$0	-	\$0	\$0	\$0	\$0	
Transportation	\$0	75,000	\$77,250	\$79,568	\$81,955	\$84,413	
IT Services	\$0	7,500	\$7,725	\$7,957	\$8,195	\$8,441	
Contracted SPED Services	\$0	30,000	\$30,900	\$35,000	\$40,000	\$45,000	
Insurance	\$0	5,000	\$5,500	\$6,000	\$6,500	\$7,000	
Postal Charges	\$0	1,200	\$1,236	\$1,273	\$1,311	\$1,351	
Bank Charges	\$0	-	\$0	\$0	\$0	\$0	

Supplies & Materials

Textbooks and Instructional Supplies	\$0	7,500	\$10,000	\$12,500	\$15,000	\$17,500	
Education Software	\$0	-					
Student Supplies	\$0	2,500	\$3,000	\$3,500	\$4,000	\$4,500	
Faculty Supplies	\$0	-					
Library Books	\$0	5,000	\$1,500	\$1,500	\$1,500	\$1,500	
Testing & Evaluation	\$0	10,000	\$15,000	\$20,000	\$25,000	\$30,000	
Student Laptops	\$0	18,000	\$9,000	\$9,000	\$9,000	\$9,000	
Faculty Laptops	\$0	19,350	\$2,400	\$4,000	\$7,200	\$6,400	
Office Supplies	\$0	10,000	\$11,000	\$12,000	\$13,000	\$14,000	
Printing Paper	\$0	10,000	\$15,000	\$20,000	\$25,000	\$30,000	
Marketing Materials	\$0	1,500	\$1,545	\$1,591	\$1,639	\$1,688	
Student Uniforms	\$0	-					
Gifts & Awards - Students	\$0	2,500	\$3,750	\$5,000	\$6,500	\$8,000	
Gifts & Awards - Teachers and Staff	\$0	1,000	\$1,500	\$1,800	\$2,000	\$2,000	
Health Supplies	\$0	1,000	\$1,200	\$1,500	\$1,800	\$2,100	

**Cornerstone Prep School
New Charter School Application Budget Template
Year 2 Through 5 Budget**

Facility Related Expenses

Rent	\$0	114,750	\$189,108	\$267,824	\$351,093	\$439,117	add 3% rate increase and 15,000 sq ft per year
Utilities	\$0	25,000	\$41,200	\$58,386	\$76,538	\$95,728	
Custodial	\$0	41,667	\$45,833	\$55,000	\$60,000	\$65,000	
Waste	\$0	2,500	\$3,750	\$5,000	\$6,500	\$7,000	
Faculty Furniture	\$0	1,000	\$1,030	\$1,030	\$1,030	\$1,030	
Student Furniture	\$0	22,500	\$22,500	\$22,500	\$22,500	\$22,500	for new classrooms and increase enrollment
Internet/Network Equipment	\$0	2,500	\$2,575	\$2,700	\$2,750	\$2,800	
Other Equipment	\$0	3,500	\$3,500	\$3,500	\$3,500	\$3,500	
Building Decorum	\$0	-	\$0	\$0	\$0	\$0	
Tenant Improvements	\$0	75,000	\$10,000	\$10,000	\$10,000	\$10,000	
Contingency	\$0	50,000					
Certified subs	\$0	10,000	\$15,000	\$20,000	\$25,000	\$30,000	
Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	
Other	\$0	-	\$0	\$0	\$0	\$0	

Other Charges

Staff Recruitment	\$0	2,500	2,575	3,000	3,200	3,500	
Student Recruitment & Community Engagement	\$0	2,500	2,575	2,575	2,575	2,575	
Parent & Staff Meetings	\$0	1,500	1,545	1,545	1,545	1,545	
Authorizer Fee	\$0	35,000	35,000	35,000	35,000	35,000	
Contract services	\$0	40,000	45,000	50,000	55,000	60,000	

Debt Service

Other	\$0	-	-	-	-	-	
Other	\$0	-	-	-	-	-	
Other	\$0	-	-	-	-	-	
Other	\$0	-	-	-	-	-	
Other	\$0	-	-	-	-	-	

Total Operating Expenses

656,067	638,370	780,512	926,702	1,073,686
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Total Expenses

2,206,775	2,453,618	3,055,848	3,882,269	4,739,414
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**Cornerstone Prep School
New Charter School Application Budget Template
Year 0 & Years 1 through 5 Summary**

Revenue Assumptions

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	2020-21	2021-22	2022-23	2023-24	2024-25	2026-27
Starting Fund Balance	1,275,000	1,003,850	304,401	138,727	194,208	292,735
State Revenues	-	1,387,326	2,143,419	2,943,629	3,789,922	4,684,344
Federal Revenues	-	45,000	69,525	92,700	115,875	139,050
School Activity Revenues	-	-	-	-	-	-
Fundraising & Philanthropy	100,000	75,000	75,000	75,000	75,000	75,000
Total Revenues	100,000	1,507,326	2,287,944	3,111,329	3,980,797	4,898,394
Staffing	85,393	1,231,383	1,434,282	1,783,941	2,333,434	2,898,461
Employer Benefits & Taxes	22,157	319,325	380,967	491,395	622,133	767,268
Contracted Services	25,000	137,800	142,284	150,061	158,832	167,702
Supplies & Materials	118,600	88,350	74,895	92,391	111,639	126,688
Facility-Related Expenses	100,000	348,417	334,496	445,940	558,911	676,675
Other Charges	20,000	81,500	86,695	92,120	97,320	102,620
Debt Service	-	-	-	-	-	-
Total Expenses	371,150	2,206,775	2,453,618	3,055,848	3,882,269	4,739,414
Net Income	(271,150)	(699,449)	(165,674)	55,481	98,528	158,980
Ending Fund Balance	1,003,850	304,401	138,727	194,208	292,735	451,715

Attachment P Cornerstone Prep School Budget Narrative

Summary

The pre-opening budget (or Year 0) contains incremental expenses for opening Cornerstone Prep School (CPS). Other expenses or work of existing Capstone Education Group (CEG) employees are not included in Year 0 as those expenses will be charged to the current operating budget of Capstone Education Group.

Because of the past financial management, development, and generosity of partners, Capstone Education Group has more than \$5 million in operating reserves along with \$2.0 million in cash that could be used to offset any unforeseen expense items or revenue shortfall during the pre-opening or first two years of operation. This provides a very sound financial foundation for the school.

The answers to the questions found in Section 3.2 are provided in the application narrative. The information below represents key assumptions that drive the financial projections.

Pre-opening (Year 0)

The pre-opening budget (or Year 0) contains incremental expenses for opening Cornerstone Prep School (CPS). Other expenses or work of existing Capstone Education Group (CEG) employees are not included in Year 0 as those expenses will be charged to the current operating budget of Capstone Education Group.

CEG believes that current donors will be excited about the opening of another CEG school. Based on past giving experiences, CEG budgeted \$100,000 in Year 0 for start-up expenses. Because of the large balance of cash on the balance sheet, CEG plans to place another \$1,275,000 on the CPS income statement for use in Year 0. Any shortfall on the \$100,000 in donations will simply be covered by increasing the amount used from cash reserves.

The principal for CPS is budgeted in the existing CEG budget though the first 6 months of Year 0. Six months of the principal salary, therefore, is charged to the new school.

CEG plan to hire a Dean of Operations after receiving approval for CPS, assumed to be no later than August. Therefore, these the position is budgeted to begin in January with a \$70,000 salary annually and is assumed to be employed for Jan-June. Benefit expense are based on the average costs of CEG and the percentage participation at other CEG schools.

\$15,000 is budgeted for Potential Travel or fees for Professional Development for leaders or early hire teachers.

Legal fees are budgeted at \$10,00 if needed for contract negotiations on the facility.

It is assumed that most office supply expense such as copies, etc will be made at CEG office in the first year and therefore no expense is budgeted for CPS.

\$15,000 is budgeted marketing materials to be mailed to the community, potential parents and other stakeholders.

Year 0 includes purchases for many of the start-up expenses and furniture for the new school. The initial order of school and student supplies are budgeted at \$15,000. Faculty supplies are budgeted at \$11,500 to cover all resources and faculty needs.

For technology, \$36,000 is budgeted for 10 Chromebooks per class and 30 Chromebooks for the computer lab/cart at \$400 each. \$17,600 is budgeted for 22 staff laptops at \$800 each

The initial stock of office supplies is budgeted at \$15,000, while \$20,000 is budgeted marketing materials. The initial uniform inventory build is budgeted at a total cost of \$3,500.

Faculty furniture is \$5,000 (though based on experience, most of this will be donated.)

Student desks, chairs, furniture and other classroom needs are budgeted based on CEG experience at \$45,000 in year 1 and \$22,500 per year thereafter until the school reaches capacity.

A \$50,000 contingency has been added in Year 0 to cover unexpected costs.

Staff recruitment is forecasted to be \$15,000 to cover travel, fees for services like indeed, monster, MTR, TFA, etc.

\$5000 is budgeted for student recruitment, parent meetings and community engagement.

The grand total of expenses in Year 0 is \$373,050.

Years 1-5

Revenue

The primary source of revenue will be funds received from government sources for the basic education program (BEP). Capstone Education Group has budgeted a phase-in for enrollment. Student enrollment assumes Year 1 will open with grades k and 1 with 75 students in each grade. Each year thereafter 75 new students are added. BEP is based on the rate found on the TDoE Website for the application and increases by 3% annually. It is assumed the rate on the website would have been applicable for the year 2018-19 (based on the heading) and therefore, the BEP rate for Year 1 is based on annual 3% increases or \$9,248 in Year 1 and increases 3% annually from that point forward.

CEG assumes Title I funds will be received at \$300 per student per the TDoE Website <https://www.tn.gov/content/tn/education/school-options/charter-schools/tdoe3so->

[charter-school-operators-authorizers.html](#) CEG conservativity assumes no funding for Title II, and IDEA, though CEG schools have received significant funding for those and other state and local grants and funds. CEG budgets the net costs of eRate as an expense items under technology and therefore does not budget a revenue amount for that item.

Federal Lunch Program receipts and expenses are not shown on the financial statements. Under the current arrangement with Shelby County Schools, CEG pays no fees and collects no revenue for the providing breakfast, lunch or snack to students. This budget assumes that arrangement, or one that will either net zero or positive cash flow, will be in place for the school so therefore no revenue or expense is budgeted.

No grants are budgeted for CPS. CEG has received more than \$5 million in grants since its inception and therefore the expected grant revenue is a very conservative estimate.

Individual donations have been a steady stream of income for the last 7 years. CEG believes current and prospective donors will be excited to support the start of the new school. To be very conservative, the budget includes only \$75,000 in donations annually, far less than the current experience.

Though the revenue estimates noted above grants and individuals are conservative by historical standards, Capstone Education Group would be able to accomplish the budgeted revenue targets for several years with reduced giving from any of these areas. Capstone Education Group has more than \$5 million in operating reserves that could be used to fund operations if needed. Therefore, Capstone Education Group has no plans to borrow money and feels very confident in the revenue numbers presented in the application.

Expenditures

Compensation, Benefits and Tax Expense

Capstone Education teacher salaries are budgeted at starting salaries of \$49,500 for core class teachers, \$52,500 for special education teachers and \$46,500 for elective teachers. This represents a very competitive rate with Shelby County Schools and exceeds the average pay of current Capstone Education Group teachers. The staffing model is based on the current CEG staffing models. The model includes special education support teachers as well as a learning lab block where all staff work together to ensure that each student gets instruction at their level in addition to the scaffolding and differentiation that occurs during the normal lesson during the scheduled block of time. This staffing and approach allows for every student, and especially those furthest behind, to receive instruction at their level.

Administrative salaries represent the fair market value of salaries for those positions. Capstone Education Group compensates employees at market rate and therefore should be able to hire non-teachers at the budgeted wage rates.

Each year returning employees are budgeted for a 3% wage increase. The starting salaries for new hires in Years 2-5 are also increased 3% per year to reflect wage inflation.

Benefits are based on the actual costs of current Capstone Education Group employer provided benefits. Health insurance costs reflect the actual employer paid portion of the annual premium costs for family coverage. The budget assumes that employees will choose to use the Capstone Education Group insurance plan at the same rate as the current 169 employees do with the same ratio of coverage between individual and family. The budget contains an annual 7% increase in health insurance premiums. Over the last three years, CEG health insurance premiums have remained flat.

Other benefits include the required 7.65% for FICA/Medicare, budgets for unemployment, workers compensation and other benefits. Retirement expense is based on the current CEG contribution of 10% of the salary of the employees for TCRS legacy. Because it is unknown whether potential hires would be eligible for the hybrid or TCRS legacy plan, all employees are budgeted at the most expensive plan (TCRS).

Teachers, Deans and the Principal can earn a bonus based on student achievement. The budget assumes 75% of eligible staff members will receive the bonus available to them. Given the lofty goals found in the bonus program, it is unlikely that every teacher, DOI and the Principal will meet all their stated goals. Based on experience, 75% is a conservative scenario.

Contracted Services

Most Professional Development is conducted inhouse by network or school level personnel. Budgeted PD costs covers the costs of attending seminars or having educators come to Capstone Education Group as available. Several local organizations frequently allow Capstone Education Group teachers to attend some of their Professional Development at no charge.

Capstone Education Group's approach to providing student material is based on high-performing schools around the country. Teachers create their own classroom and homework materials and make copies to distribute to students. Students place these copies in their student binders for each subject. Therefore, copier expense is higher than in other schools.

Internet and telephone services is an estimate for the costs to provide internet service to the classrooms and offices assuming CEG earns the same Erate contract as currently exists for the 3 CEG schools.

\$75,000 has been budgeted to provide transportation for general education and special education students to travel to and from school as well as for field trips or sporting events. As noted elsewhere, CEG will determine transportation policies after selecting a school location. Conservatively, CEG has budgeted transportation expense but no transportation revenue from BEP.

Contracted Sped services cover expenses for students that may need extra support inside or outside of the CPS campus.

Insurance covers buildings and furniture specific to CPS. Other insurance increases will be covered by the network budget line items.

Capstone Education Group sends almost all communication to parents home through a weekly newsletter put in student homework folders. The website is also used for communication to parents, donors and prospective students. Therefore, postage is not a significant expense.

Bank charges are for returned check fees and other expenses are budgeted on the CEG network budget.

Supplies & Materials

Capstone Education Group uses very few textbooks for students. Most information provided to students is created by teachers. Therefore, Capstone Education Group budgeted funds based on CEG experience for supplies and materials.

CEG uses several software or licensed products, including LiveSchool, PowerSchool, Illuminate and school messenger. These are all budgeted and paid at the network level.

Though also budgeted in Year 0, years 1 and 2 contain additional funds for student and faculty supplies. This may include instructional supplies and materials for students and faculty purchased by faculty for their classrooms and students.

Capstone Education Group's library plan contains \$5,000 for initial stocking of a library. Ongoing expense is designed to fill any gaps in the library as identified over time.

Special Education assessments are the primary expense found in the testing and evaluation line. Funds budgeted in this line are for assessments, evaluations, and outside services provided for Special Education services. SPED teachers and normal operating resources are budgeted elsewhere.

Student and staff Technology has been budgeted based on the phase-in. Ongoing costs for technology are replacement items. Computers are budgeted at \$800 per new employee who would need computers or for a staff replacement. This covers the cost of a new laptop. Student technology is based on \$400 per Chromebook.

Office supplies, printing paper and marketing expense are based on the historical usage at CEG schools.

Capstone Education Group believes strongly in rewarding students for accomplishments and showing resilience and other core CEG character traits. We have budgeted gifts and awards cost based on CEG experience. In addition, gifts are

frequently donated by interested individuals. Capstone Education Group believes this will continue but has budgeted funds to cover this to be conservative.

Staff rewards are gifts and gift cards given to the staff at the discretion of the Principal and Executive Director.

Health supplies are the supplies to be used by the nurse during normal health-related issues.

Facility Related Expenses

Rent expense in Year 1 is based on SCS average rate of \$4.59 per sq ft as noted in a recent SCS board mtg. CEG assumes 25,000 square feet will be utilized in year 1 and adds 15,000 square feet each year until reaching full capacity. CEG experiences indicates that 100,000 square feet would be needed for the CPS program. Research shows the median middle school provides 173.4 square feet per student which is just slightly more than the CEG experience and provides some support for the assumption of 100,000 sq ft when at full capacity. Rent is assumed to increase 3% per year.

Utilities are estimates based on CEG usage per square foot and the assumes square footage to be rented.

Custodial expense and waste disposal are based on outsourcing those services and at rates like the ones experienced at existing CEG schools.

Faculty furniture funds represent replacement for broken furniture, as the initial purchase of these items are found in Year 0.

Staff furniture is \$22,500 per year for new classrooms that will added until the school reaches full capacity.

Internet/network equipment and other equipment covers the cost for both faculty and students.

Tenant improvements are forecasted to be \$75,000 in Year 1.

A \$50,000 contingency has been added to the budget to cover any unanticipated expenses.

Substitutes teachers are based on paying \$125 per day and is based on CEG experience to cover sick and personal days.

Other Charges

Recruiting expense covers the cost of placing ads with services that charge a fee. Capstone Education Group has historically used Monster.com, indeed, word of mouth, personal connections, free college events and indeed.com to find their teachers.

Student recruiting, community engagement and parent and staff meeting funds are budgeted to cover costs like communication, events, food and other expenses incurred in building relationships with key stakeholders and recruiting students.

The authorizer fee is based on the SCS rate of \$35,000 per year.

Other contract services covers anything needed for the building that is not part of the leasing arrangement.

Other notes

Because CEG leads three other existing schools, many other potential costs associated with adding the fourth school that would be part of a standalone budget for one school are not necessary to be added to CPS. For example, Legal Fees, audit fees, Payroll and Accounting Services, Director of special education, ESL and gifted services costs, etc are found in the existing CEG budget and are expected to be covered by that current budget.

An independent accounting firm produces all of the financial statements for CEG, including accounts payable, cash management, balance sheets and revenue/expense reporting. Paychex, an outsourcing payroll company, produces the direct deposit payroll and files all necessary paperwork, including the production and mailing of year-end tax statements. No payroll checks or deposit slips are created – all information is electronic, keeping Capstone Education Group fees at a minimum.

No annual revenue or expense is budgeted for food service, as the budget assumes to continue the current SCS relationship where they handle all the food purchase and preparation and reimbursement. CEG will work with SCS to obtain the necessary paperwork up front and SCS will handle it from there.

No ongoing revenue or expense is budgeted for uniforms, as the initial purchase of inventory is budgeted in Year 0 and it is assumed that revenue will be offset by expense from that point forward, as CEG sells uniforms at cost to parents.

CEG does not budget management fees for individual schools. At year-end, CEG allocates all back-office expenses across the network, based on actual BEP revenue.

The application contains the answers to the questions explicitly stated in section 3.3 of the application.

Back-office Budget

As requested, a tab for the CEG back-office budget has been included in attachment O. This budget contains the expenses for all CEG back-office staff and expenses to cover items such as legal expenses, payroll, etc that cover all CEG schools in the network.

**CMO and CEG Network Budget Years 0-5
Attachment Q**

	CMO Yr 0	CEG Yr 0	CMO Yr 1	CEG Yr 1	CMO Yr 2	CEG Yr 2	CMO Yr 3	CEG Yr 3	CMO Yr 4	CEG Yr 4	CMO Yr 5	CEG Yr 5
44570 · Contributions & Gifts	270,000	370,000	278,100	353,100	286,443	361,443	295,036	370,036	303,887	378,887	313,004	388,004
44571 · MSDF/Other Grant	0	0	0	0	0	0	0	0	0	0	0	0
44572 · National and local grants	500,000	500,000	515,000	515,000	530,450	530,450	546,364	546,364	562,754	562,754	579,637	579,637
46511 · Basic Education Program	0	11,367,551	0	13,095,904	0	14,203,254	0	15,365,259	0	16,584,201	0	17,862,451
46515 - Early Childhood		327,853	0	337,689	0	347,819	0	358,254	0	369,001	0	380,071
47141 · Title I - Grants to Local Educa	0	829,000	0	898,870	0	949,011	0	982,371	0	1,028,672	0	1,075,788
47143 · SPED	0	742,173	0	764,438	0	787,371	0	810,992	0	835,322	0	860,382
47189 · Title II - Grants to Local Educ	0	88,017	0	90,658	0	93,377	0	96,179	0	99,064	0	102,036
47590 · Other Federal/SIG/Other grants	0	700,000	0	721,000	0	742,630	0	764,909	0	787,856	0	811,492
Income	770,000	14,924,594	793,100	16,776,658	816,893	18,015,356	841,400	19,294,363	866,642	20,645,758	892,641	22,059,861
											0	0
7110116 · Teachers	0	4,404,859	0	5,101,755	0	5,461,787	0	5,727,694	0	6,163,193	0	6,653,037
7110163 · Educational Assistants	0	0	0	0	0	0	0	0	0	0	0	0
7110188 · Bonus Payments	0	188,773	0	221,403	0	236,616	0	247,314	0	264,055	0	282,154
7110195 · Certified Subs		0	0	0	0	0	0	0	0	0	0	0
7110201 · Social Security		273,101	0	316,309	0	338,631	0	355,117	0	382,118	0	412,488
7110204 · State Retirement	71,078	846,835	73,211	976,521	75,407	1,026,515	77,669	1,072,059	79,999	1,165,632	82,399	1,251,087
7110210 · Unemployment Comp	22,024	22,024	22,685	28,333	23,366	31,252	24,067	33,210	24,789	36,843	25,532	40,998
7110212 · Employer Medicare		63,870	0	73,975	0	79,196	0	83,052	0	89,366	0	96,469
7110299 · Other Fringe Benefits		0	0	0	0	0	0	0	0	0	0	0
7110369 · Contract-Sub Teachers -Cert	0	169,800	0	184,894	0	195,141	0	205,545	0	216,111	0	226,845
7110429 · Instructional Supp & Mater	25,000	266,000	25,750	338,530	26,523	273,786	27,318	284,274	28,138	295,003	28,982	305,978
7110449 · Textbooks	0	2,500	0	5,575	0	4,152	0	4,232	0	4,314	0	4,398
7110499 - Other supplies and materials		45,000	0	22,500	0	22,500	0	22,500	0	22,500	0	22,500
7110722 · Regular Instruction Equip	25,000	78,500	25,750	63,125	26,523	53,088	27,318	54,441	28,138	55,834	28,982	57,269
71100 · Regular Instruction Program	143,103	6,361,263	147,396	7,332,920	151,818	7,722,664	156,372	8,089,439	161,063	8,694,971	165,895	9,353,223
7120116 · Teachers	0	736,516	0	863,611	0	889,519	0	971,902	0	1,058,428	0	1,149,270
7120162 - Clerical personnel	64,500	64,500	66,435	66,435	68,428	68,428	70,481	70,481	72,595	72,595	74,773	74,773
7120163 · Educational Assistants	0	260,359	0	299,859	0	308,854	0	318,120	0	327,664	0	373,160
7120188 · Bonus Payments	0	0	0	0	0	0	0	0	0	0	0	0
7120189 · Other Salaries & Wages	86,520	150,520	89,116	155,036	91,789	159,687	94,543	202,723	97,379	208,804	100,300	215,069
7120195 - Certified subs		0	0	0	0	0	0	0	0	0	0	0
7120201 · Social Security	9,363	75,137	9,644	85,866	9,933	88,442	10,231	96,920	10,538	103,384	10,855	112,361
7120204 · State Retirement	0	0	0	0	0	0	0	0	0	0	0	0
7120212 · Employer Medicare	2,190	17,572	2,255	20,082	2,323	20,684	2,393	22,667	2,465	24,179	2,539	26,278
7120299 · Other Fringe Benefits	0	0	0	0	0	0	0	0	0	0	0	0
7120312 · Contracts W/Private Agencies	0	387,000	0	445,573	0	440,568	0	462,885	0	485,572	0	508,639
7120314 · Contracts with Public Carriers		202,000	0	283,060	0	291,552	0	300,298	0	309,307	0	318,587
7120322 · Evaluation & Testing	0	215,000	0	231,450	0	243,094	0	254,936	0	266,984	0	279,244
7120429 · Instructional Supp & Materials	0	10,600	0	64,118	0	15,246	0	16,583	0	17,930	0	19,288
7120499 - Other supplies and materials		0	0	2,500	0	4,000	0	6,000	0	8,000	0	10,000
71200 · Special Education Program	162,573	2,119,204	167,450	2,517,589	172,474	2,530,074	177,648	2,723,516	182,977	2,882,848	188,467	3,086,668
7140599 · Other Charges	0	30,000	0	35,900	0	39,327	0	41,282	0	43,765	0	46,778
71400 · Student Body Educ Program	0	30,000	0	35,900	0	39,327	0	41,282	0	43,765	0	46,778
7212735 Health Equip		0	0	0	0	0	0	0	0	0	0	0
72120 Health Services	0	0	0	0	0	0	0	0	0	0	0	0
7213123 · Guidance Personnel	40,000	678,166	41,200	748,048	42,436	770,490	43,709	846,158	45,020	925,673	46,371	953,444
7213124 - Psychological personnel		0	0	0	0	0	0	0	0	0	0	0

CMO and CEG Network Budget Years 0-5 Attachment Q	CMO Yr 0	CEG Yr 0	CMO Yr 1	CEG Yr 1	CMO Yr 2	CEG Yr 2	CMO Yr 3	CEG Yr 3	CMO Yr 4	CEG Yr 4	CMO Yr 5	CEG Yr 5
7213201 · Social Security	2,480	42,046	2,554	46,379	2,631	47,770	2,710	52,462	2,791	57,392	2,875	59,114
7213212 · Employer Medicare	580	9,833	597	10,847	615	11,172	634	12,269	653	13,422	672	13,825
7213299 · Other Fringe Benefits	0	0	0	0	0	0	0	0	0	0	0	0
7213355 · Travel	0	17,350	0	15,221	0	15,602	0	15,995	0	16,400	0	16,817
7213499 · Other Supplies & Materials	0	34,000	0	35,175	0	51,758	0	37,317	0	38,437	0	39,590
7213599 · Other Charges	0	32,630	0	38,609	0	41,617	0	43,656	0	45,225	0	46,827
72130 · Other Student Support	43,060	814,026	44,352	894,278	45,682	938,410	47,053	1,007,857	48,464	1,096,549	49,918	1,129,616
7221105 · Supervisor/Director	315,000	960,806	324,450	1,066,907	334,184	1,098,915	344,209	1,213,866	354,535	1,334,725	365,171	1,374,767
7221188 · Bonus Payments	0	0	0	0	0	0	0	0	0	0	0	0
7221201 · Social Security	19,530	59,570	20,116	66,148	20,719	68,133	21,341	75,260	21,981	82,753	22,641	85,236
7221212 · Employer Medicare	4,568	13,932	4,705	15,470	4,846	15,934	4,991	17,601	5,141	19,354	5,295	19,934
7221299 · Other Fringe Benefits	0	0	0	0	0	0	0	0	0	0	0	0
7221432 · Library Books/Media	0	12,500	0	22,875	0	15,761	0	16,159	0	16,569	0	16,991
7221499 · Other Supplies & Materials	0	38,500	0	2,500	0	3,500	0	0	0	0	0	0
72210 · Regular Instruction Prgrm - SS	339,098	1,085,307	349,270	1,173,901	359,749	1,202,243	370,541	1,322,886	381,657	1,453,401	393,107	1,496,928
7241104 · Principal(s)	0	368,393	0	431,349	0	444,290	0	457,618	0	471,347	0	485,487
7241139 · Assistant Principal(s)	0	95,000	0	193,311	0	199,110	0	205,083	0	211,236	0	217,573
7241188 · Bonus Payments	0	10,063	0	14,713	0	14,997	0	15,289	0	15,591	0	15,901
7241201 · Social Security	0	28,730	0	38,729	0	39,891	0	41,087	0	42,320	0	43,590
7241212 · Employer Medicare	0	6,719	0	9,058	0	9,329	0	9,609	0	9,897	0	10,194
7241299 · Contingency	0	50,000	0	0	0	0	0	0	0	0	0	0
72410 · Office of Principal	0	558,905	0	687,159	0	707,617	0	728,688	0	750,391	0	772,745
7251105 · Supervisor/Director	607,589	811,886	625,816	872,293	644,591	898,462	663,929	925,415	683,846	953,178	754,362	1,031,773
7251161 · Secretary(s)	0	148,950	0	184,561	0	190,098	0	195,801	0	235,705	0	277,828
7251188 · Bonus Payments	12,250	12,250	12,618	12,618	12,996	12,996	13,386	13,386	13,787	13,787	14,201	14,201
7251201 · Social Security	40,356	62,258	41,567	68,291	42,814	70,340	44,098	72,450	45,421	76,734	46,784	81,209
7251207 · Medical Insurance	54,600	668,346	56,238	765,661	57,925	808,800	59,663	864,131	61,453	924,337	63,296	982,936
7251208 - Dental	0	0	0	0	0	0	0	0	0	0	0	0
7251210 · Unemployment Compensation	6,076	9,608	6,258	10,569	6,446	10,886	6,639	11,212	6,838	11,889	7,044	12,596
7251212 · Employer Medicare	8,810	13,932	9,074	15,324	9,347	15,784	9,627	16,258	9,916	17,239	10,213	18,264
7251299 · Other Fringe Benefits	0	25,000	0	25,750	0	26,523	0	27,318	0	28,138	0	28,982
7251307 · Communication	52,000	87,000	53,560	79,160	55,167	81,535	56,822	83,981	58,526	86,500	60,282	89,095
7251317 · Data Processing Services	10,000	41,000	10,300	49,730	10,609	53,497	10,927	56,802	11,255	60,146	11,593	63,530
7251320 · Dues & Memberships	0	341,027	0	386,257	0	396,795	0	407,649	0	418,828	0	430,343
7251330 · Operating Lease Payments	0	29,000	0	39,470	0	49,966	0	50,889	0	51,840	0	52,819
7251336 - Maintenance and repair service equip	0	6,000	0	8,180	0	8,365	0	10,556	0	14,753	0	18,956
7251348 · Postal Charges	1,000	3,400	1,030	4,702	1,061	4,807	1,093	4,915	1,126	5,027	1,159	5,142
7251399 · Other Contracted Services	229,300	298,300	236,179	309,799	243,264	318,553	250,562	327,570	258,079	336,857	265,822	346,422
7251411 · Data Processing Supplies	0	5,000	0	8,150	0	8,305	0	9,464	0	10,628	0	11,796
7251435 · Office Supplies	0	0	0	10,000	0	10,300	0	10,609	0	10,609	0	10,927
7251524 · In-Service/Staff Development	72,050	94,314	74,212	85,922	76,438	90,364	78,731	92,880	81,093	95,471	83,526	98,141
7251701 · Administration Equipment	5,000	50,500	5,150	46,930	5,305	42,888	5,464	41,875	5,628	42,891	5,796	43,937
72510 · Fiscal Services	1,099,031	2,707,770	1,132,002	2,983,366	1,165,962	3,099,262	1,200,941	3,223,160	1,236,969	3,394,556	1,324,078	3,618,898
7261328 · Janitorial Services	0	277,200	0	327,183	0	339,915	0	357,904	0	368,641	0	386,351
7261336 · Maint & Repair Services/Tent Impr	0	120,000	0	198,600	0	137,308	0	141,127	0	145,361	0	149,722
7261399 · Other Contracted Services	0	100,000	0	128,000	0	143,590	0	169,273	0	174,351	0	179,581
7261415 · Electricity	0	292,000	0	325,760	0	350,983	0	377,462	0	405,187	0	434,236
7261502 · Building & Content Insurance	39,419	39,419	40,602	45,602	41,820	47,820	43,074	50,074	44,366	52,366	45,697	54,697
7261720 · Rent	0	0	0	114,750	0	189,108	0	267,824	0	351,093	0	439,117

CMO and CEG Network Budget Years 0-5 Attachment Q	CMO Yr 0	CEG Yr 0	CMO Yr 1	CEG Yr 1	CMO Yr 2	CEG Yr 2	CMO Yr 3	CEG Yr 3	CMO Yr 4	CEG Yr 4	CMO Yr 5	CEG Yr 5
72610 · Operation of Plant	39,419	828,619	40,602	1,139,894	41,820	1,208,723	43,074	1,363,664	44,366	1,496,999	45,697	1,643,704
7271314 · Contracts with Public Carriers	0	303,200	0	312,296	0	321,665	0	331,315	0	341,254	0	351,492
72710 · Transportation	0	303,200	0	312,296	0	321,665	0	331,315	0	341,254	0	351,492
7340116 Teachers		187,054	0	192,666	0	198,446	0	204,399	0	210,531	0	216,847
7340163 · Educational Assistants		98,240	0	101,187	0	104,223	0	107,350	0	110,570	0	113,887
7340201 Social Security		17,688	0	18,219	0	18,765	0	19,328	0	19,908	0	20,506
7340212 Employer Medicare		4,137	0	4,261	0	4,389	0	4,520	0	4,656	0	4,796
7340399 Other contract services		23,490	0	24,195	0	24,921	0	25,668	0	26,438	0	27,231
73400 Early Childhood Education	0	330,609	0	340,528	0	350,744	0	361,266	0	372,104	0	383,267
Expense	1,826,283	15,138,904	1,881,071	17,417,832	1,937,504	18,120,729	1,995,629	19,193,072	2,055,498	20,526,838	2,167,162	21,883,319
Net Income	(\$1,056,283)	(214,310)	(1,087,971)	(641,174)	(1,120,611)	(105,373)	(1,154,229)	101,291	(1,188,856)	118,920	(\$1,274,521)	176,542

Assumptions

CEG 5 Year Network Tab represents the total of all 3 existing schools, CPS and the back office

The back office represents the support position necessary to run all CEG schools

The format used is the format in which CEG prepares all financial forecasts. Attachment O expenses have been placed in their corresponding category on the CEG format

Years 1-5 Combine the budget for CPS with the current forecast for the back office and the other 3 schools.

No increased enrollment for existing schools has been planned, as all enrollment numbers are based on current enrollment.

The financial implications of the facilities plans are all captured in the new school P&L.

Contributions and grants are based on past experience and expected ongoing commitments consistent with current funding. None of these revenue sources are guaranteed. Revenue comes from grants from Charter School Growth Fund, Hope Community Foundation, churches, individuals, unique grants, Crawford House Foundation and other sources

Total compensation for the network can be found on the P&L. The proposed school would account for less than 20% of the network's compensation in Year 5.

Title I, Title II, SPED IDEA, VPK, PDG and SIG are based on current allocations from the ASD for the existing CEG schools

Expenses are based on current operations at the 3 existing schools, the specific budget for CPS found in attachment O and the noted back office

Erate, student fees, uniforms, and free and reduced lunch are stated in the same manner and with the same assumptions as found in Attachment O

No management fees are noted. As stated in attachment O, the back office expenses are allocated back to the schools based on actual BEP at year-end

All expense assumptions are consistent with current practices for the CEG network and the stated assumptions in attachment P for CPS

The current balance sheet contains more than enough funds for any capital or contingency needs.

Attachment R

Capstone Education Group enjoyed considerable academic growth and achievement during its 7 years of serving low-income students in Memphis. Highlights include:

Cornerstone Prep Denver Campus

- Cornerstone Prep Denver was the highest performing school in the ASD in 2019
- 9-point gains in proficiency over the prior year were seen in Math in 2019
- Students enjoyed a composite score of 5, the highest possible composite score on the Tennessee Value-Added Assessment System (TVAAS) in back to back years
- In 2018, Cornerstone Prep Denver had the second highest proficiency rate in Math in our District, second only to another CEG school
- Cornerstone Prep Denver had double digit gains in proficiency in Math from the prior year in 2018
- Students enjoyed their highest academic growth ever on NWEA-MAP for two years in a row, meeting or exceeding prior grade level growth in four out of four subjects
- Cornerstone Prep Denver earned a TVAAS 5 score in every subject based on TN Ready results from 2017-18
- Parent survey results last year revealed a high level of parent satisfaction, as 95% of parents surveyed gave the school an overall grade of A or B at Cornerstone Prep Denver Campus.

Cornerstone Prep Lester Campus

- Averaged more than 1.4 years of growth across all subjects in 2019 on NWEA-MAP
- In 2018, Cornerstone Prep Lester outperformed every other school in the ASD, earning the highest proficiency rates in both math and science on the 2017-2018 TN Ready assessment.
- Students enjoyed the highest possible score in Science on the Tennessee Value-Added Assessment System (TVAAS) in 2018
- Cornerstone Prep Lester demonstrated continued success averaging 1.4 grade levels of growth over all subjects and all grades for the past 3 years as measured by the NWEA MAP assessment
- Reading level growth as measured by Reading A to Z running records that averaged more than 1.5 grade levels in the school's inaugural year in grades k-3.
- Between 2012-13 and 2016-17, Cornerstone Prep Lester has averaged 1.5 years of growth each year in science on the national assessment Measure of Academic Progress (MAP) national assessment, which is created and scored by Northwest Evaluation Association (NWEA).
- Cornerstone Prep Lester had the third highest success rate of elementary schools in the Achievement School District on the 2016-17 TN Ready.
- Parent survey results last year revealed a high level of parent satisfaction, as 93% of parents surveyed gave the school an overall grade of A or B.

Lester Prep

- Lester Prep is the only school in the District to be identified as a TVAAS Level 5 school on TN Ready 3 consecutive years
- Lester Prep has averaged 1.6 grade levels of growth per year, over 5 years, as measured by NWEA's MAP assessment
- In 2018-19, Lester Prep was the highest performing middle school in the District
- In 2019, Lester Prep was one of only seven school in the State of Tennessee that qualified for Priority Exit status by achieving a TVAAS Level 4 or 5 in all accountability area for two or more consecutive years
- Lester Prep was the highest performing school in the district on Reading grade level growth in 2015-16
- Parent survey results last year revealed a high level of parent satisfaction, as 99% of parents surveyed gave the school an overall grade of A or B.
- In 2015-16, Lester Prep averaged 1.9 grade level growth as measured by NWEA's MAP assessment in math, science, reading and English language arts.

- In 2016-17, Lester Prep earned the following TVAAS scores: ELA 5, Science 5, Math 5, Overall Composite 5
- In 2017-18, Lester Prep students grew 2.4 grade levels in language, 1.4 grade levels in math and science and 1.3 grade levels in reading on the NWEA MAP assessment

Listed below are historical academic results for all schools on TVAAS, MAP and TN Ready.

TVAAS Scores:

	Mathematics						
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Cornerstone Prep - Denver					2	5	4
Cornerstone Prep - Lester	2	3	1		4	1	1
Lester Prep			1		5	4	4

	Literacy						
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Cornerstone Prep - Denver					1	5	5
Cornerstone Prep - Lester	2	5	3		1	3	3
Lester Prep			1		5	5	5

	Science						
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Cornerstone Prep - Denver					2	5	
Cornerstone Prep - Lester					1	5	
Lester Prep			3		5	3	

	Overall						
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Cornerstone Prep - Denver					1	5	5
Cornerstone Prep - Lester	1	5	4		1	3	2
Lester Prep			3		5	5	5

Listed below are the annual grade level growth equivalents as recorded on the NWEA MAP assessment for each year (note: 19-20 is for the first half of the school year):

	Mathematics							
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20*
Cornerstone Prep - Denver				1.1	1.1	1.3	2.1	1.0
Cornerstone Prep - Lester	1.2	1.3	1.4	1.3	1.3	1.5	1.5	0.7
Lester Prep			1.8	1.6	1.5	1.4	1.3	0.5

	Reading							
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20*
Cornerstone Prep - Denver				1.1	0.9	1.1	1.4	1.0
Cornerstone Prep - Lester	1.1	1.2	1.4	1.2	1.2	1.4	1.2	0.9
Lester Prep			2.0	2.0	1.3	1.5	1.2	0.5

	Language							
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20*
Cornerstone Prep - Denver				1.1	0.9	1.4	1.4	0.9
Cornerstone Prep - Lester	1.0	1.3	1.4	0.9	1.8	1.8	1.2	0.8
Lester Prep			1.6	2.0	2.3	2.4	1.2	1.0

	Science							
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20*
Cornerstone Prep - Denver				1.2	1.0	1.2	1.7	1.3
Cornerstone Prep - Lester	1.3	1.5	1.8	1.2	1.6	1.4	1.8	1.1
Lester Prep			1.2	2.0	1.2	1.4	1.2	0.8

Listed below are the TCAP/TN Ready results from prior years:

	ELA			Math			Social Studies	
	2017	2018	2019	2017	2018	2019	2018	2019
Cornerstone Prep - Lester Campus								
3	10	14	9	16	30	11		
4	7	9	11	18	9	16		
5	6	10	8	13	21	9		
All Grades	8	11	9	16	20	12	7	
Cornerstone Prep Denver Campus								
3	4	11	7	12	25	24		
4	2	10	14	8	17	29		
5	5	5	9	4	12	28		
All Grades	4	9	10	8	18	27	5	
Lester Prep								
6	3	9	9	16	13	19	18	16
7	11	9	6	7	8	6	26	16
8	8	5	4	15	13	25	18	15
All Grades	7	8	7	13	11	17	21	16

Attachment S

Portfolio Summary Template

School Name	Year Opened	City	State	Grades Served	Total Enrollment
Cornerstone Prep-Lester Campus	2012	Memphis	TN	K-5th	380
Lester Prep	2014	Memphis	TN	6th-8th	295
Cornerstone Prep-Denver Campus	2015	Memphis	TN	K-5th	612

	% African American	% Hispanic	% White	% Other Race/ Ethnicity	% FRPL	% SPED	% ELL
Cornerstone Prep-Lester Campus	94%	3%	1%	2%	100%	15%	10%
Lester Prep	95%	2%	0	3%	100%	10%	10%
Cornerstone Prep-Denver Campus	97%	1%	1%	1%	100%	15%	1%

School Contact Info

	Contact Name	Contact Title	Contact Email	Contact Phone
Cornerstone Prep-Lester Campus	Hannah Hudson	Principal	hudson@cornerstoneprepmemphis.org	901-416-3640
Lester Prep	Latasha Harris	Principal	lharris@lesterprepmemphis.org	901-416-3640
Cornerstone Prep-Denver Campus	Michelle Lyons	Principal	mlyons@coenrsotneprepmemphis.org	901-416-3936

Authorizer Contact Information

Authorizing Organization	Contact Name	Contact Title	Contact Email	Contact Phone
Achievement School District	Lisa Settle	Chief Performance Officer	lisa.settle@tn-asd.org	901-260-9649
Achievement School District	Lisa Settle	Chief Performance Officer	lisa.settle@tn-asd.org	901-260-9649
Achievement School District	Lisa Settle	Chief Performance Officer	lisa.settle@tn-asd.org	901-260-9649



**2015-16 School Performance Framework Results
and School Action Decisions**

Attachment T1

Thursday, August 18, 2016

Dear Drew Sippel,

Thank you for your agility and focus throughout this year's state assessment implementation challenges and subsequent accountability implications. As previously communicated, [we are aligning](#) with the state's accountability policies during this transition year to a major new assessment, resulting in a "hold harmless" year for the academic portion of the framework.

The ASD makes all school action decisions (for growth and revocation) using an objective, outcomes-based School Performance Framework. During this "hold harmless" year we will continue to look at the same metrics for K-2, Alt Ed, and High Schools, but will shift to using NWEA MAP Reading growth and Lexile targets for K-8 due to the lack of state assessment data. This data is meant to be informative—to quantify the impact on the students you serve and to provide feedback about progress on ASD expectations—and will only be included in your 3-year school accountability cycle if the results help your overall framework score average.

Below are the 2015-16 School Performance Framework results for the schools in your network:

	Lester Prep	Cornerstone Prep - Lester Campus	Cornerstone Prep - Denver Campus
Academic Composite Score	Exceeds	Meets	Approaches
Student and Family Rights	Meets	Meets	Meets
Finance	Available September 13 th		
Overall	Available September 13 th		

Overall results will be available after Finance performance data is received and incorporated. These results should be available by September 13th.

A more detailed examination of how each school performed individually is available in the attached document titled "Capstone Education Group 2015-16 End of Year SPF Results". There will be an opportunity to schedule a phone call with the Accountability Team prior to your end of the year meeting in September. During this phone call we will be glad to discuss any questions you may have regarding the accountability results of your schools. We are also looking forward to the inaugural Data Day next week on August 24th. At Data Day we



**2015-16 School Performance Framework Results
and School Action Decisions**

will discuss the 2016-17 School Performance Framework, as well as provide an opportunity to connect with the Accountability team regarding any questions on content or results.

We appreciate your team's dedication to providing high quality school options for students zoned to or enrolled in Tennessee's lowest performing schools. Looking forward to making the 2016-17 school year the best year yet!

Sincerely,

A handwritten signature in black ink that reads "Margo".

Margo Roen

Chief of New Schools & Accountability

A handwritten signature in black ink that reads "Kristina Catani".

Kristina Catani

Director of Portfolio Analysis and Planning

2016-17 ASD School Performance Framework Targets

Capstone Education Group

Attachment T2

Finance Targets

Finance Targets

These metrics ensure operators are financially responsible and viable. An operator must meet 100% of financial metrics. Failure to do so would result in an automatic “Does Not Meet” on the entire School Performance Framework.

Metrics

30 Days Cash On Hand

Current Ratio (1.1 Threshold)

Clean Financial Audit

*Note that operators will not be held accountable to the Cash on Hand expectation in 2015-16, and COH will not be reported in Q1 of 2016-17.

Student & Family Rights Targets

Student & Family Rights Targets

Subcategory	Item	Applicable Schools	Monitoring Category	Collection Frequency	Calculation description	Legal Expectation	Notice of Concern @...	Action Plan @...	Final Performance
Access	EasyIEP Data Compliance	All	Cumulative Data	Quarterly	% of students with IEPs in EasyIEP who are in compliance	100%	90% at Nov 1	75% on Dec 1	December
Access	English Learners Service Plan	All	Document Collection	Annual	whether submitted ELL service plan met all expectations	Complete	Late Completion	Incomplete	10/1/2016
Access	Home Language Survey	All	Audit	Annual	% of files pulled with survey	100%		50% at audit	December
Access	Migrant/Homeless Service Plan	All	Document Collection	Annual	whether submitted migrant/homeless service plan met all expectations	Complete	Late Completion	Incomplete	10/1/2016
Access	Occupational Survey	All	Audit	Annual	% of files pulled with survey	100%		50% at audit	December
Access	Pre-K/Early Childhood Plan	Elementary	Document Collection	Annual	whether a school culture/discipline plan was submitted	Complete	Late Completion	Incomplete	10/1/2016
Access	SPED File Review	All	Audit	Annual	% of SWD files in compliance	100%		75% at audit	December
Access	Students with Disabilities Service Plan	All	Document Collection	Annual	whether submitted SWD plan met all expectations	Complete	Late Completion	Incomplete	10/1/2016
Access	SWD Remand Rate	All	Cumulative Data	Quarterly	% of SPED students remanded	<2.5%	2% at MY	2.5% at EOY	Last Day of School
Enrollment	Enrollment Eligibility	All	Cumulative Data	Annual	% of priority-zoned and priority-enrolled students enrolled	75%	80% at MY	75% at EOY	10/1/2016
Enrollment	SWD Pre-K Access	Elementaries with preK	Cumulative Data	Quarterly	% of SWD Pre-K enrollments occurring before 3rd bday	100%	80% at MY	75% at EOY	Last Day of School
Enrollment	SWD Withdrawal Documentation	All	Audit	Annual	% of files with completed withdrawal documentation	100%		50% at audit	December
Health/Safety	Emergency Operation Plan	All	Document Collection	Annual	whether an emergency operation plan was submitted	Complete	Late Completion	Incomplete	8/15/2016
Health/Safety	Immunization Records	Elementary	Audit	Annual	% of K students with completed immunization records on file	100%		90% at audit	December
Health/Safety	School Culture/Discipline Plan	All	Document Collection	Annual	whether a Pre-K/Early Childhood plan was submitted	Complete	Late Completion	Incomplete	10/1/2016
Leadership	ESL Teacher Endorsement	All	Cumulative Data	Triannually	whether network's ESL teacher is endorsed	Complete	Incomplete @MY	Incomplete	Last Day of School
Leadership	Professional Development Plan	All	Document Collection	Annual	whether a professional development plan was submitted	Complete	Late Completion	Incomplete	10/1/2016
Leadership	SPED Teacher Certification	All	Cumulative Data	Triannually	whether SPED teacher is certified	Complete	Incomplete @MY	Incomplete	Last Day of School
Leadership	Teacher Licensure	All	Cumulative Data	Triannually	% of teachers who are licensed, have a permit, or pending application	100%	90% at MY	85% at EOY	Last Day of School
Leadership	TSIP (School Improvement Plan)	All	Document Collection	Annual	whether the completed TSIP was submitted	Complete	Late Completion	Incomplete	11/1/2016
Voice	Community/Parent Grievances	All	Cumulative Data	Quarterly	% of grievances resolved on time	100%	75% at MY	50% at EOY	Last Day of School
Voice	Governance Board Meeting Access	All	Document Collection	Annual	whether evidence of accessible CMO board meeting was submitted	Complete	Late Completion	Incomplete	10/1/2016
Voice	Parent/Community Plan	All	Document Collection	Annual	whether a Family/Community Plan was submitted	Complete	Late Completion	Incomplete	10/1/2016
Voice	Student Handbook	All	Document Collection	Annual	whether a student handbook was submitted	Complete	Late Completion	Incomplete	8/31/2016
Voice	Title 1 Communications	All	Document Collection	Annual	whether a Title 1 meeting was held	Complete	Late Completion	Incomplete	10/1/2016

Academic Composite Performance Targets

Capstone Education Group: Cornerstone Prep – Lester Campus

K-8 Framework, 5 th YOO								Exceeds (90-100 pts) • Meets (70-89 pts) • Approaches (50-69 pts) • Does Not Meet (40-49 pts)			
				Targets				Points			
Category	Measure	Points w/ Equity	Points w/out Equity	Exc (100% pts)	DNM (40% pts)			Exc (100% pts)	DNM (40% pts)		
Mission	Reward School Success Rate	15	20	≥ 6.5%	< 6.5%			15	6		
Category	Measure	Points w/ Equity	Points w/out Equity	Exc (100% pts)	Met (80% pts)	App (60% pts)	DNM (40% pts)	Exc (100% pts)	Met (80% pts)	App (60% pts)	DNM (40% pts)
School Progress (Best of the two pathways)	Subject Specific TVAAS	30	30	Level 5	Level 4	Level 3	< APP	30	24	18	12
	Percentile Rank on Math, RLA, Science SSR			60	50	40	< APP				
Student Progress	TVAAS (Composite)	30	30	Level 5	Level 4	Level 3	< APP	30	24	18	12
Gateway	Lexile Growth (% growing 1.5 years or at grade level)	15	20	≥ 60%	50-60%	35-50%	< APP	15	12	9	6
Equity	Subgroup Percentile Rank on Math, RLA, Science SSR	10		60	50	40	< APP	10	8	6	4

Capstone Education Group: Lester Prep

K-8 Framework, 3 rd YOO								Exceeds (90-100 pts) • Meets (70-89 pts) • Approaches (50-69 pts) • Does Not Meet (40-49 pts)			
				Targets				Points			
Category	Measure	Points w/ Equity	Points w/out Equity	Exc (100% pts)	DNM (40% pts)			Exc (100% pts)	DNM (40% pts)		
Mission	Reward School Success Rate	15	20	≥ 6.5%	< 6.5%			15	6		
Category	Measure	Points w/ Equity	Points w/out Equity	Exc (100% pts)	Met (80% pts)	App (60% pts)	DNM (40% pts)	Exc (100% pts)	Met (80% pts)	App (60% pts)	DNM (40% pts)
School Progress (Best of the two pathways)	Subject Specific TVAAS	30	30	Level 5	Level 4	Level 3	< APP	30	24	18	12
	Percentile Rank on Math, RLA, Science SSR			40	25	10	< APP				
Student Progress	TVAAS (Composite)	30	30	Level 5	Level 4	Level 3	< APP	30	24	18	12
Gateway	Lexile Growth (% growing 1.5 years or at grade level)	15	20	≥ 60%	50-60%	35-50%	< APP	15	12	9	6
Equity	Subgroup Percentile Rank on Math, RLA, Science SSR	10		40	25	10	< APP	10	8	6	4
											380

Capstone Education Group: Cornerstone Prep – Denver Campus

K-8 Framework, 2 nd YOO								Exceeds (90-100 pts) • Meets (70-89 pts) • Approaches (50-69 pts) • Does Not Meet (40-49 pts)			
				Targets				Points			
Category	Measure	Points w/ Equity	Points w/out Equity	Exc (100% pts)	DNM (40% pts)			Exc (100% pts)	DNM (40% pts)		
Mission	Reward School Success Rate	15	20	≥ 6.5%	< 6.5%			15	6		
Category	Measure	Points w/ Equity	Points w/out Equity	Exc (100% pts)	Met (80% pts)	App (60% pts)	DNM (40% pts)	Exc (100% pts)	Met (80% pts)	App (60% pts)	DNM (40% pts)
School Progress (Best of the two pathways)	Subject Specific TVAAS	30	30	Level 5	Level 4	Level 3	< APP	30	24	18	12
	Percentile Rank on Math, RLA, Science SSR			25	10	5	< APP				
Student Progress	TVAAS (Composite)	30	30	Level 5	Level 4	Level 3	< APP	30	24	18	12
Gateway	Lexile Growth (% growing 1.5 years or at grade level)	15	20	≥ 60%	50-60%	35-50%	< APP	15	12	9	6
Equity	Subgroup Percentile Rank on Math, RLA, Science SSR	10		25	10	5	< APP	10	8	6	4

CAPSTONE EDUCATION GROUP, INC.

**FINANCIAL STATEMENTS AND SUPPLEMENTARY
INFORMATION**

JUNE 30, 2018



CERTIFIED PUBLIC ACCOUNTANTS

CAPSTONE EDUCATION GROUP, INC

INDEX TO REPORT

JUNE 30, 2018

	PAGE
GOVERNANCE OFFICIALS	1
INDEPENDENT AUDITOR'S REPORT	2-4
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	5-8
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	9
STATEMENT OF ACTIVITIES	10
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUND	11
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION	12
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND	13
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAT FUND TO THE STATEMENT OF ACTIVITIES	14
NOTES TO THE FINANCIAL STATEMENTS	15-30
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) TEACHER LEGACY PENSION PLAN OF TCRS	31
SCHEDULE OF CONTRIBUTIONS TEACHER LEGACY PENSION PLAN OF TCRS	32
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) TEACHER RETIREMENT PLAN OF TCRS	33
SCHEDULE OF CONTRIBUTIONS TEACHER RETIREMENT PLAN OF TCRS	34

CAPSTONE EDUCATION GROUP, INC

INDEX TO REPORT

JUNE 30, 2018

SUPPLEMENTARY INFORMATION

COMBINING BALANCE SHEET – INDIVIDUAL SCHOOLS	35
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF INDIVIDUAL SCHOOLS	36

COMPLIANCE SECTION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE	37-38
INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	39-40
INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	41-42
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	43
SCHEDULE OF DISPOSITION OF PRIOR YEAR FINDINGS	44

CAPSTONE EDUCATION GROUP, INC.

Governance Officials

Primary Governance Officials

Board Members

Jay Harvill, Chairman
Thomas Marino, Vice Chairman
Paul Edwards, Secretary
Elliot Perry
Monika Johnson
Cam Echols
Octavious Nickson
Jason Cook
Scott Walker

Administration

Drew Sippel, Executive Director



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Capstone Education Group, Inc.
Memphis, Tennessee

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Capstone Education Group, Inc. (a nonprofit corporation) (the “School”) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the School’s basic financial statements as listed in the table of contents.

Management’s Responsibility For The Financial Statements

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

Auditor’s Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the School as of June 30, 2018, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The accompanying governance officials schedule and Schedule of Expenditures of Federal Awards and State Financial Assistance, are presented for purposes of additional analysis as required by Comptroller of the Treasury, State of Tennessee and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

The governance officials schedule has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2018, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Memphis, Tennessee
December 13, 2018

Henderson Hutcherson
in McCullough, PLLC

CAPSTONE EDUCATION GROUP, INC.
Management's Discussion and Analysis (Unaudited)

The following Management's Discussion and Analysis (MD&A) provides the reader with an introduction and overview to the financial statements of Capstone Education Group, Inc. (the "Organization"). The discussion below presents the Organization's discussion and analysis of the Organization's financial performance during the fiscal year ended June 30, 2018. Please read it in conjunction with the Organization's financial statements.

A. Overview of the Financial Statements

The Statement of Net Position and the Statement of Activities report the performance of the Organization as a whole. The Statement of Net Position includes all of the Organization's assets and liabilities in a manner similar to a private-sector company. These statements include all assets and liabilities using the accrual method of accounting. Under the accrual method, all of the current year's revenue and expenses are taken into consideration regardless of when cash is received or paid.

The Statement of Net Position calculates the difference between the total assets and total liabilities. This is one way to measure the Organization's financial health or position. Over time, increases or decreases in the Organization's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The Statement of Activities reports expenses and revenue for the Organization as a whole. The reader can use this statement to identify the areas of spending and areas of revenue that generated the change in net position during the year.

The Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balances report the Organization's Fund financial activities, not the Organization as a whole. These statements provide detailed information about the Organization's most significant funds. Funds are established by the Organization to help manage money for particular purposes and compliance with various grant provisions.

The Organization's Funds are categorized as "governmental funds." Governmental funds focus on how money flows in and out of the funds and the balances remaining at year-end that are available for spending in future periods. Fund financial statements are reported using an accounting method called "modified accrual" accounting, which measures cash and other financial assets that can be readily converted to cash. This method of accounting is different from the accrual method used in the Organization-wide financial statements to report on the Organization as a whole. The relationship between governmental activities as reported in the Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balances is reconciled to the basic financial statements following each of the Governmental Fund financial statements.

CAPSTONE EDUCATION GROUP, INC.
Management's Discussion and Analysis (Unaudited)

B. Condensed Financial Information

The Organization's condensed comparative statements of net position and activities are as follows:

Capstone Education Group, Inc.'s Net Position

	Governmental Activities	
	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Current and other assets	\$ 12,662,669	\$ 10,436,871
Capital assets	<u>-</u>	<u>373</u>
Total assets	<u>12,662,669</u>	<u>10,437,244</u>
Deferred pension outflows	<u>1,626,036</u>	<u>2,078,435</u>
Total deferred outflows of resources	<u>1,626,036</u>	<u>2,078,435</u>
Other liabilities	85,320	157,967
Long-term liabilities	<u>175,000</u>	<u>733,914</u>
Total liabilities	<u>260,320</u>	<u>891,881</u>
Deferred pension inflows	<u>927,143</u>	<u>711,532</u>
Total deferred inflows of resources	<u>927,143</u>	<u>711,532</u>
Net position		
Net investment in capital assets	-	373
Restricted	872,023	880,597
Unrestricted	<u>12,229,219</u>	<u>10,031,296</u>
Total net position	<u>\$ 13,101,242</u>	<u>\$ 10,912,266</u>

CAPSTONE EDUCATION GROUP, INC.
Management's Discussion and Analysis (Unaudited)

Capstone Education Group, Inc.'s Statement of Activities
For the Years Ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Revenues		
State and local per pupil operating revenue	\$ 11,414,458	\$ 11,496,754
Operating grants and contributions	2,683,562	2,051,701
Contributions and private grants	1,238,222	1,039,247
Other income	<u>69,390</u>	<u>72,883</u>
Total revenue	<u>15,405,632</u>	<u>14,660,585</u>
Expenses		
Regular instruction	6,216,727	5,801,982
Fiscal services	1,994,731	1,641,594
Special education	1,636,677	1,798,183
Operation of plant	885,385	720,892
Other student support	578,107	571,431
Office of principal	565,037	590,399
Student support	847,519	743,229
Early childhood education	283,898	364,584
Contracts with public carriers	176,284	260,222
Student body education	27,778	20,996
Other expenses	<u>4,513</u>	<u>7,351</u>
Total expenses	<u>13,216,656</u>	<u>12,520,863</u>
Change in Net Position	<u>\$ 2,188,976</u>	<u>\$ 2,139,722</u>

C. Analysis of Financial Position and Results of Operation

The Organization's cash position and investments at year-end was very strong. The Organization's change in net position for the year was also very strong. As noted on subsequent pages, the Organization generated a positive change in net position of \$2,188,976. The reasons for the positive change in net position are identified on the detailed financial statements.

Revenue: Total revenue for the year ended June 30, 2018 was \$15,405,632. The three major sources of this revenue were:

- State and local per pupil operating revenue - \$11,414,458
- Operating grants and contributions - \$2,683,562
- Contributions and private grants - \$1,238,222

CAPSTONE EDUCATION GROUP, INC.
Management's Discussion and Analysis (Unaudited)

State and local per pupil revenue is simply a function of the state allowance per pupil and the number of pupils served by the Organization. The contributions and private grants reflect organizations, individuals and entities that support the work of the Organization in providing children with the best possible education. The Organization is honored so many people provide financial resources to support the work of educating children on our campus.

Expenses: The Organization places great emphasis on directing funds to areas that directly impact the education of children. The expenses found in the financial statements reflect this focus. The organization spent the largest percentage of its funds in the regular instruction category, followed by spending on special education. The Organization is pleased to be able to manage expenses in such a manner that provides the greatest resources to the instruction of children.

More information:

This financial report is designed to provide our students' parents, taxpayers, donors, creditors, authorities over grant funding and agencies tasked with oversight of Shelby County public schools with a general overview of the Organization's finances and to demonstrate the Organization's accountability of the money it receives. If you have questions about this report or need additional financial information, contact the Executive Director by telephone at (901) 416-3640 or by email: dsippel@cornerstoneprepmemphis.org.

CAPSTONE EDUCATION GROUP, INC.

STATEMENT OF NET POSITION

JUNE 30, 2018

	Governmental Activities
	<u> </u>
ASSETS	
Cash and cash equivalents	\$ 8,933,438
Investments	2,466,023
State and local per pupil funding receivable	419,037
Grants receivable	614,986
Net pension asset	
Teacher Legacy Pension Plan	29,333
Teacher Hybrid Pension Plan	143,797
Prepaid expenses	56,055
Capital assets, net of accumulated depreciation of \$23,723	<u> -</u>
 Total assets	 <u>12,662,669</u>
DEFERRED OUTFLOWS OF RESOURCES	
Teacher Legacy Pension Plan	1,434,803
Teacher Hybrid Pension Plan	<u>191,233</u>
 Total deferred outflows of resources	 <u>1,626,036</u>
LIABILITIES	
Accounts payable and accrued expenses	85,320
Long-term liability	<u>175,000</u>
 Total liabilities	 <u>260,320</u>
DEFERRED INFLOWS OF RESOURCES	
Teacher Legacy Pension Plan	893,361
Teacher Hybrid Pension Plan	<u>33,782</u>
 Total deferred inflows of resources	 <u>927,143</u>
NET POSITION	
Restricted	872,023
Unrestricted	<u>12,229,219</u>
 Total net position	 <u>\$ 13,101,242</u>

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

CAPSTONE EDUCATION GROUP, INC.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2018

Governmental Activities	Total	Functions	
		Student Instruction and Services Services	General and Administrative
EXPENSES			
Regular instruction	\$ 6,216,727	\$ 6,216,727	\$ -
Fiscal services	1,994,731	1,935,378	59,353
Special education	1,636,677	1,527,736	108,941
Operation of plant	885,385	847,367	38,018
Other student support	578,107	578,107	-
Office of principal	565,037	507,720	57,317
Student support	847,519	847,519	-
Early childhood education	283,898	283,898	-
Contracts with public carriers	176,284	176,284	-
Student body education	27,778	27,778	-
Other expenses	4,513	4,494	19
	13,216,656	12,953,008	263,648
PROGRAM REVENUES			
Operating grants and contributions	2,683,562	2,683,562	-
Contributions and private grants	1,238,222	1,238,222	-
Other income	69,390	69,390	-
Total program revenues	3,991,174	3,991,174	-
Net program expenses	9,225,482	\$ 8,961,834	\$ 263,648
GENERAL REVENUES			
State and local per pupil operating revenue	11,414,458		
CHANGE IN NET POSITION	2,188,976		
NET POSITION - beginning of year	10,912,266		
NET POSITION - end of year	\$ 13,101,242		

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

CAPSTONE EDUCATION GROUP, INC.

BALANCE SHEET - GOVERNMENTAL FUND

JUNE 30, 2018

	General Fund
ASSETS	
Cash and cash equivalents	\$ 8,933,438
Investments	2,466,023
State and local per pupil funding receivable	419,037
Grants and other receivable	614,986
Prepaid expenses	<u>56,055</u>
 Total assets	 <u>\$ 12,489,539</u>
LIABILITIES	
Accounts payable and accrued expenses	<u>\$ 85,320</u>
 Total liabilities	 <u>85,320</u>
FUND BALANCE	
Non-spendable	56,055
Unassigned	<u>12,348,164</u>
 Total fund balance	 <u>12,404,219</u>
 Total liabilities and fund balance	 <u>\$ 12,489,539</u>

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

11

CAPSTONE EDUCATION GROUP, INC.

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION

JUNE 30, 2018

Total governmental fund balance	\$ 12,404,219
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Net pension assets is not reported in the funds.	173,130
Deferred outflows relating to pension costs which are applicable to future peiriods and are not reported in the funds	1,626,036
Deferred inflows related to pension costs which are applicable to future periods are not reported in the funds	(927,143)
Long term liability is not due and payable in current period, and therefore is not reported in the government fund	<u>(175,000)</u>
Net position of governmental activities	<u>\$ 13,101,242</u>

CAPSTONE EDUCATION GROUP, INC.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND

YEAR ENDED JUNE 30, 2018

	General Fund
REVENUES	
State and local per pupil operating revenue	\$ 11,414,458
Operating grants and contributions	2,683,562
Contributions and private grants	1,238,222
Other income	<u>69,390</u>
Total revenues	<u>15,405,632</u>
EXPENDITURES	
CURRENT	
Regular instruction	6,208,152
Fiscal services	1,994,731
Special education	1,636,677
Operation of plant	885,385
Other student support	578,107
Office of principal	565,037
Student support	847,519
Early childhood education	283,898
Contracts with public carriers	176,284
Student body education	27,778
Other expenses	<u>4,141</u>
Total expenditures	<u>13,207,709</u>
CHANGE IN FUND BALANCE	2,197,923
FUND BALANCE - beginning of year	<u>10,206,296</u>
FUND BALANCE - end of year	<u>\$ 12,404,219</u>

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

13

CAPSTONE EDUCATION GROUP, INC.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2018

Net change in fund balance - governmental fund	\$2,197,923
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Depreciation expense on governmental capital assets are included in the statement of activities.	(372)
Contributions to pension plans made after the measurement date are recorded as expenditures in the governmental fund but must be deferred in the statement of net position. Certain amounts related to the net pension asset are also deferred and amortized over time.	<u>(8,575)</u>
Change in net position of governmental activities	<u>\$2,188,976</u>

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Capstone Education Group, Inc. (the “School”) is a non-profit organization that was founded in 2012 to provide quality education to families in the city of Memphis, with a particular emphasis on the Binghampton and Frayser communities.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The School prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, as applied to local governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting and report information on all non-fiduciary activities of the primary government. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Funding for the School comes primarily through the per pupil allocation from the State of Tennessee’s Basic Education Program (“BEP”), which is passed through the Achievement School District (“ASD”). Charges to the ASD are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligible requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Government-Wide Financial Statements

The government-wide financial statements focus on the sustainability of the School as an entity and the change in the School’s net position resulting from the current year’s activities.

Current regulations require the classification of net position into three components: invested in capital assets, restricted; and unrestricted. These classifications are defined as follows:

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements (Continued)

Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances (if any) of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, by contributors, by grantors, or by state legislation.

Unrestricted – This component of net position consists of net position that do not meet the definition of restricted or invested in capital assets, net of related debt. When both restricted and unrestricted assets are available for use, it is the School's policy to utilize restricted assets first, then unrestricted assets as needed.

The government-wide statement of activities reports both the gross and net cost of the School's functions. The functions are also supported by general government revenues (general revenues are primarily made up of state and local per pupil revenue and donations to the general fund). The statement of activities reduces gross expenses by related function revenues, operating and capital grants. Program revenues must be directly associated with the function. The net costs by function are normally covered by general revenue. The School allocates indirect cost between functions.

Fund Financial Statements

The financial transactions of the School are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenses. The School reports the following major governmental fund:

The General Fund is the primary operating fund of the School and accounts for all financial resources of the School, except those required to be accounted for in another fund.

The governmental funds' focus is upon the determination of financial resources, their balance, sources and use, rather than upon net income. The School classifies governmental fund balances as nonspendable, restricted, committed, assigned and unassigned based on the level of constraints on the fund balances. When an expenditure is incurred in which both restricted and unrestricted funds are available for use, it is the School's policy to spend restricted funds first, then unrestricted funds. When an expenditure has been incurred for purposes in which multiple categories of unrestricted funds are available, it is the School's policy to spend funds in the following order: committed, then assigned, and lastly unassigned funds. The classifications of fund balances are defined as follows:

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

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

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

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

Assigned – This classification consists of all fund balances that are not in the general fund or classified as nonspendable, restricted or committed. In addition, general fund balances that the School intends to use for specific purposes are also classified as assigned. The School gives the authority to assign amounts to specific purposes to the School's controller and personnel under the supervision of the controller tasked with financial recording responsibilities.

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

Cash and Cash Equivalents

The School considers cash on hand, savings, checking, certificates of deposit and other similar accounts to be cash. All highly liquid debt instruments with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits and Investments

The School does not have formal deposit policies that address its exposure to custodial credit risk and maintains its cash and cash equivalents at one financial institution. At times, such balances may be in excess of the FDIC insurance limit of \$250,000; however, management does not believe it is exposed to any significant credit risk on cash and cash equivalents.

The School's investment decisions must be approved by the Board of Directors and its investments are comprised solely of its beneficial interest in assets held by Hope Christian Community Foundation ("HCCF") and are presented at fair value. The beneficial interest in assets held by HCCF are certain assets transferred to HCCF under the terms of a designated fund agreement. These funds transferred to HCCF are to be reflected in the statement of net position as an asset if the transferor retains the right to direct the fund.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deposits and Investments (Continued)

Distributions from the fund are not subject to variance power and the School can request principal and interest from the fund at any time. The School board has selected a pool of bank deposits and government notes. Since the School owns a component of the pooled investments comprising the beneficial interest in assets held by HCCF, these assets are considered Level 3 assets (inputs into determination of fair value are not observable and significant management judgement or estimation is required). These assets are carried at fair value based on information provided by HCCF.

Grants Receivable

Grants receivable represents grant amounts due from federal programs. An allowance for doubtful accounts is maintained based upon collection experience and a review of the collectability of specific outstanding receivables. Receivables are charged against the allowance when they are determined to be uncollectible by management. There is no allowance for doubtful accounts as of June 30, 2018, as management believes all amounts are collectible. All receivables of the School are expected to be collected within sixty days.

Capital Assets

Capital assets acquired by the School are considered to be owned by the School. However, state funding sources may maintain equitable interest in the capital assets purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The State's equitable interest is in capital assets with an acquisition cost which equals or exceeds \$5,000 and an estimated useful life of more than one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets purchased are stated at cost, and donated assets are recorded at estimated fair market value. Capital asset purchases in excess of \$5,000 are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 5 to 7 years.

Grants

The School received Federal financial assistance through state and private agencies. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies.

Use of Estimates in the Preparation of Financial Statements

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

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Comparison

The School is not required to adopt a legally binding budget; therefore no budgetary comparison statement of the general fund has been presented.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School's deferred outflows of resources relate to items associated with the teacher pension plans.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The School's deferred inflows of resources relate to items associated with the teacher pension plans.

Federal Tax Status

The School is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).

Accounting principles generally accepted in the United States of America require management of the School to evaluate tax positions taken by the School and recognize a tax liability (or asset) if the School has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The School has analyzed the tax positions taken by the School and has concluded that as of June 30, 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The School is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The School believes that it is no longer subject to income tax examinations for years prior to 2015.

Support and Revenue

Contributions are recognized when the donor makes an unconditional promise to contribute to the School's activities or when the actual gift is received.

Revenue from the state and local governments resulting from the School's charter status and based on the number of students enrolled is recorded when services are performed in accordance with the charter agreement.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions

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

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

NOTE 2 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets being depreciated:				
Equipment	\$ 14,233	\$ -	\$ -	\$ 14,233
Building improvements	<u>9,490</u>	<u>-</u>	<u>-</u>	<u>9,490</u>
	23,723	-	-	23,723
Accumulated depreciation	<u>(23,351)</u>	<u>(372)</u>	<u>-</u>	<u>(23,723)</u>
Total capital assets being depreciated	<u>\$ 372</u>	<u>\$ (372)</u>	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense was charged to function/programs of the primary government as follows:

Student instruction and services	<u>\$ 372</u>
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CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 3 – LONG-TERM LIABILITY

The School has entered into an unsecured note payable in the amount of \$175,000 from an unrelated not-for-profit company. The terms of the agreement state that the note may be convertible, in the lender’s sole discretion, to grant income upon the School achieving certain performance milestones. Otherwise, the note is payable upon its maturity date of December 31, 2021, plus accrued interest at 1% per year.

	Balance July 1, 2017	Additions	Retirements	Balance June 30, 2018	Amount Due Within One Year
Note payable	<u>\$ 175,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,000</u>	<u>\$ -</u>

NOTE 4 – CONCENTRATIONS

Approximately 92% of the School’s revenue for the year ended June 30, 2018, was from the Achievement School District.

NOTE 5 – COMMITMENTS – EQUIPMENT LEASE

The School leases equipment under the terms of non-cancellable operating lease agreements expiring at various dates through June, 2021. Rent expense under these leases totaled \$23,316.

At June 30, 2018, future minimum rental payments on the non-cancellable operating leases are as follows:

Year	Amount
2019	\$ 21,826
2020	15,840
2021	<u>11,940</u>
	<u>\$ 49,606</u>

NOTE 6 – TEACHER LEGACY PENSION PLAN

General Information About The Pension Plan

Plan description. Teachers with membership in the Tennessee Consolidated Retirement System (“TCRS”) before July 1, 2014 of the School are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by Local Education Agencies (“LEAs”) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 6 – TEACHER LEGACY PENSION PLAN (Continued)

General Information About The Pension Plan (Continued)

The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 55 and vested. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments ("COLAs") after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index ("CPI") during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The Local Education Agencies ("LEAs") make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the School for the year ended June 30, 2018 to the Teacher Legacy Pension Plan were \$276,247 which is 9.08 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 6 – TEACHER LEGACY PENSION PLAN (Continued)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension liabilities (assets). At June 30, 2018, the School reported an asset of \$143,797 for its proportionate share of net pension asset. The net pension liability was measured as of June 30, 2017, and the total pension asset used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension asset was based on the School's contributions to the pension plan relative to the contributions of all LEAs. At the measurement date of June 30, 2017, the School's proportion was 0.545032 percent. The proportion measured as of June 30, 2016 was 0.697464 percent.

Pension expense. For the year ended June 30, 2018, the School recognized pension expense of \$65,694.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2018, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,040	\$ 10,815
Net difference between projected and actual earnings on pension plan investments	-	7,738
Changes in assumptions	12,633	-
Changes in proportion of net pension asset	16,877	8,373
LEA's contributions subsequent to the measurement date of June 30, 2017	276,247	-
Total	\$ 310,797	\$ 26,926

The School's employer contributions of \$276,247, reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as an increase in net pension asset in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2019	\$ (218)
2020	(218)
2021	(661)
2022	(2,651)
2023	998
Thereafter	10,374
	\$ 7,624

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 6 – TEACHER LEGACY PENSION PLAN (Continued)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Actuarial assumptions. The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.75 to 3.45 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustment	2.25 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2016 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012 through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

Changes of assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; and decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
U.S. equity	5.69%	31%
Developed market international equity	5.29%	14%
Emerging market international equity	6.36%	4%
Private equity and strategic lending	5.79%	20%
U.S. fixed income	2.01%	20%
Real estate	4.32%	10%
Short-term securities	0.00%	1%
		<u>100%</u>

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 6 – TEACHER LEGACY PENSION PLAN (Continued)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the three factors described above.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

Sensitivity of the proportionate share of net pension liability (asset) to changes in the discount rate. The following presents the School’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the School’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
School’s proportionate share of the net pension liability (asset)	<u>\$ 28,690</u>	<u>\$ (143,797)</u>	<u>\$ (270,321)</u>

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in a separately issued TCRS financial report.

Payable to the Pension Plan

At June 30, 2018, the School did not have a payable for the outstanding amount of the contributions to the pension plan required at the year ended June 30, 2018.

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS

General Information About The Pension Plan

Plan description. Teachers with membership in the Tennessee Consolidated Retirement System (“TCRS”) before July 1, 2014 of the School are provided with pensions through the Teacher Retirement Plan, a cost sharing multiple-employer pension plan administered by the TCRS.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS (Continued)

General Information About The Pension Plan (Continued)

The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by Local Education Agencies (“LEAs”) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at www.treasury.tn.gov/tcrs.

Benefits provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member’s highest five consecutive year average compensation and the member’s years of service credit. A reduced early retirement benefit is available at age 55 and vested. Members are vested with five years of service credit. Service related disability benefits

are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price

index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost

controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS (Continued)

General Information About The Pension Plan (Continued)

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers contribute 5 percent of salary. The Local Education Agencies (“LEAs”) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than 4 percent, except in years when the maximum funded level, as established by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the School for the year ended June 30, 2018 to the Teacher Retirement Plan were \$149,827 which is 4.00 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension liabilities (assets). At June 30, 2018, the School reported an asset of \$29,333 for its proportionate share of net pension asset. The net pension asset was measured as of June 30, 2017, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The School’s proportion of the net pension asset was based on the School’s share of contributions to the pension plan relative to the contributions of all LEAs. At the June 30, 2017 measurement date, the School’s proportion was 0.089656 percent. The proportion measured as of June 30, 2016 was 0.089434 percent.

Pension expense. For the year ended June 30, 2018, the School recognized pension expense of \$185,764.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2018, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 17,685	\$ 605,609
Changes in assumptions	248,442	-
Net difference between projected and actual earnings on pension plan investments	4,453	-
Changes in proportion of net pension liability (asset)	613,249	13,025
LEA’s contributions subsequent to the measurement date of June 30, 2017	<u>149,827</u>	<u>-</u>
Total	<u>\$ 1,033,656</u>	<u>\$ 618,634</u>

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS (Continued)

The School's employer contributions of \$149,827, reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as an increase in net pension liability (asset) in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2019	\$ (24,474)
2020	275,618
2021	109,828
2022	(95,777)
2023	-
Thereafter	<u>-</u>
	<u>\$ 265,195</u>

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

Actuarial assumptions. The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.75 to 3.45 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustment	2.25 percent

Mortality rates are customized based on the June 30, 2012 actuarial experience study and included some adjustment for expected future improvement in life expectancy.

The actuarial assumptions used in the June 30, 2017 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012 through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

Changes of assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS (Continued)

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
U.S. equity	5.69%	31%
Developed market international equity	5.29%	14%
Emerging market international equity	6.36%	4%
Private equity and strategic lending	5.79%	20%
U.S. fixed income	2.01%	20%
Real estate	4.32%	10%
Short-term securities	0.00%	<u>1%</u>
		100%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the three factors described above.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2018

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS (Continued)

Sensitivity of the proportionate share of net pension liability (asset) to changes in the discount rate. The following presents the School's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the School's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
School's proportionate share of the net pension liability (asset)	<u>\$ 2,632,095</u>	<u>\$ (29,333)</u>	<u>\$ (2,229,180)</u>

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

Payable to the Pension Plan

At June 30, 2018, the School did not have a payable for the outstanding amount of the contributions to the pension plan required at the year ended June 30, 2018.

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the statement of net position date through the date of the independent auditor's report (the date the financial statements were available to be issued) for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)*
TEACHER LEGACY PENSION PLAN OF TCRS

LAST FISCAL YEAR ENDED JUNE 30

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Capstone Education Group's proportion of the net pension liability (asset)	\$ (29,333)	\$ 558,914	\$ 22,915	\$ (9,484)
Capstone Education Group's proportion of the net pension liability (asset)	0.089656%	0.089434%	0.055939%	0.057900%
Capstone Education Group's covered payroll	\$ 3,264,086	\$ 3,228,399	\$ 2,886,836	\$ 2,275,236
Capstone Education Group's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-0.90%	17.31%	0.79%	-0.42%
Plan fiduciary net position as a percentage of the total pension liability	100.14%	97.14%	99.81%	100.08%

* GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of HGASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF CONTRIBUTIONS
TEACHER LEGACY PENSION PLAN OF TCRS

LAST FISCAL YEAR ENDED JUNE 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 276,247	\$ 286,505	\$ 291,847	\$ 260,970	\$ 202,041
Contribution in relation to the contractually required contribution	<u>276,247</u>	<u>286,505</u>	<u>291,847</u>	<u>260,970</u>	<u>202,041</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capstone Education's covered payroll	\$ 3,042,368	\$ 3,264,086	\$ 3,228,399	\$ 2,886,836	\$ 2,275,236
Contributions as a percentage of Capstone Education's covered payroll	9.08%	8.78%	9.04%	9.04%	8.88%

* GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of HGASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)*
TEACHER RETIREMENT PLAN OF THE TCRS

LAST FISCAL YEAR ENDED JUNE 30

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Capstone Education Group's proportion of the net pension liability (asset)	\$ (143,797)	\$ (72,608)	\$ (15,273)
Capstone Education Group's proportion of the net pension liability (asset)	0.545032%	0.697464%	0.397000%
Capstone Education Group's covered payroll	\$ 3,523,213	\$ 3,068,870	\$ 788,825
Capstone Education Group's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-4.08%	-2.37%	-1.94%
Plan fiduciary net position as a percentage of the total pension liability	126.81%	121.88%	127.46%

* GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of HGASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF CONTRIBUTIONS
TEACHER RETIREMENT PLAN OF THE TCRS

LAST FISCAL YEAR ENDED JUNE 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 149,827	\$ 143,090	\$ 76,820	\$ 192,721
Contribution in relation to the contractually required contribution	<u>149,827</u>	<u>143,090</u>	<u>122,755</u>	<u>31,553</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (45,935)</u>	<u>\$ 161,168</u>
Capstone Education's covered payroll	\$ 3,745,675	\$ 3,523,213	\$ 3,068,870	\$ 788,825
Contributions as a percentage of Capstone Education's covered payroll	4.00%	4.06%	4.00%	4.00%

* GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of HGASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

SUPPLEMENTARY INFORMATION

CAPSTONE EDUCATION GROUP, INC.

COMBINING BALANCE SHEET - INDIVIDUAL SCHOOLS

JUNE 30, 2018

	Cornerstone Prep - Lester Campus	Lester Prep	Cornerstone Prep - Denver Campus	CMO Management	Total
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 8,933,438	\$ 8,933,438
Investments	-	-	-	2,466,023	2,466,023
State and local per pupil funding receivable	-	-	419,037		419,037
Grants and other receivable	260,006	81,609	273,371		614,986
Prepaid expenses	16,205	8,036	27,584	4,230	56,055
Interdivisional balance	<u>(98,736)</u>	<u>135,637</u>	<u>3,178,544</u>	<u>(3,215,445)</u>	<u>-</u>
Total assets	<u>177,475</u>	<u>225,282</u>	<u>3,898,536</u>	<u>8,188,246</u>	<u>12,489,539</u>
LIABILITIES					
Accounts payable and accrued expenses	<u>\$ 42,759</u>	<u>\$ 84</u>	<u>\$ 27,834</u>	<u>\$ 14,643</u>	<u>\$ 85,320</u>
Total liabilities	<u>42,759</u>	<u>84</u>	<u>27,834</u>	<u>14,643</u>	<u>85,320</u>
FUND BALANCE					
Non-spendable	16,205	8,036	27,584	4,230	56,055
Unassigned	<u>118,511</u>	<u>217,162</u>	<u>3,843,118</u>	<u>8,169,373</u>	<u>12,348,164</u>
Total fund balance	<u>134,716</u>	<u>225,198</u>	<u>3,870,702</u>	<u>8,173,603</u>	<u>12,404,219</u>
Total liabilities and fund balance	<u>\$ 177,475</u>	<u>\$ 225,282</u>	<u>\$ 3,898,536</u>	<u>\$ 8,188,246</u>	<u>\$ 12,489,539</u>

CAPSTONE EDUCATION GROUP, INC.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF INDIVIDUAL SCHOOLS

YEAR ENDED JUNE 30, 2018

	<u>Cornerstone Prep - Lester Campus</u>	<u>Lester Prep</u>	<u>Cornerstone Prep - Denver Campus</u>	<u>CMO Management</u>	<u>Total</u>
REVENUES					
State and local per pupil operating revenue	\$ 3,649,436	\$ 1,998,150	\$ 5,766,872	\$ -	\$ 11,414,458
Operating grants and contributions	727,301	376,810	1,579,451	-	2,683,562
Contributions and private grants	1,360	125,600	62,148	1,049,114	1,238,222
Other income	20,761	12,985	14,022	21,622	69,390
	<u>4,398,858</u>	<u>2,513,545</u>	<u>7,422,493</u>	<u>1,070,736</u>	<u>15,405,632</u>
EXPENDITURES					
CURRENT					
Regular instruction	2,201,916	1,071,825	2,848,845	85,566	6,208,152
Fiscal services	444,972	151,596	520,077	878,086	1,994,731
Special education	536,546	272,027	677,735	150,369	1,636,677
Operation of plant	360,123	125,000	346,021	54,241	885,385
Other student support	211,858	98,275	267,443	531	578,107
Office of principal	180,055	184,517	200,465	-	565,037
Student support	203,370	165,922	243,938	234,289	847,519
Early childhood education	165,054	-	118,844	-	283,898
Management fee	364,753	218,651	576,321	(1,159,725)	-
Contracts with public carriers	-	47,745	128,539	-	176,284
Student body education	-	27,778	-	-	27,778
Other expenses	-	-	-	4,141	4,141
	<u>4,668,647</u>	<u>2,363,336</u>	<u>5,928,228</u>	<u>247,498</u>	<u>13,207,709</u>
CHANGE IN FUND BALANCE	(269,789)	150,209	1,494,265	823,238	2,197,923
FUND BALANCE - beginning of year	<u>404,505</u>	<u>74,989</u>	<u>2,376,437</u>	<u>7,350,365</u>	<u>10,206,296</u>
FUND BALANCE - end of year	<u>\$ 134,716</u>	<u>\$ 225,198</u>	<u>\$ 3,870,702</u>	<u>\$ 8,173,603</u>	<u>\$ 12,404,219</u>

COMPLIANCE SECTION

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 2018

<u>Federal Agency Name</u>	<u>Pass Through Agency</u>	<u>Federal Program Title</u>	<u>CFDA Number</u>	<u>Receivable June 30, 2017</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Receivable June 30, 2018</u>
Federal Awards							
U. S. Department of Education	State of Tennessee	School Improvement Grant	84.010	\$ 156,762	\$ 687,338	\$ 632,482	\$ 101,906
U. S. Department of Education	State of Tennessee	School Improvement Grant - Special Education IDEA	84.010	84,177	668,949	765,069	180,297
U. S. Department of Education	State of Tennessee	Title I Grant	84.010	162,581	816,401	789,633	135,813
U. S. Department of Education	State of Tennessee	Title II Grant	84.010	26,108	110,092	102,580	18,596
U. S. Department of Education	State of Tennessee	Planning School Grant	84.010	50,921	50,921	-	-
U. S. Department of Education	State of Tennessee	Voluntary Pre-Kindergarten Grant	84.010	37,167	183,171	174,583	28,579
U. S. Department of Education	State of Tennessee	Pre-School Development Grant	84.010	<u>132,222</u>	<u>259,643</u>	<u>152,216</u>	<u>24,795</u>
Total Federal Awards				<u>649,938</u>	<u>2,776,515</u>	<u>2,616,563</u>	<u>489,986</u>

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

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 2018

State Financial Assistance

Tennessee Department of Education Achievement School District Basic Education Program	N/A	N/A	N/A	168,821	11,164,242	11,414,458	419,037
Public Act Facility Grant	N/A	N/A	N/A	<u>-</u>	<u>60,000</u>	<u>185,000</u>	<u>125,000</u>
Total State Awards				<u>168,821</u>	<u>11,224,242</u>	<u>11,599,458</u>	<u>544,037</u>
Total Awards and Assistance				<u>\$ 818,759</u>	<u>\$ 14,000,757</u>	<u>\$ 14,216,021</u>	<u>\$ 1,034,023</u>

Note (1) - Basis of Presentation

The Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of Capstone Education Group, Inc. The information in this schedule is presented in accordance with the requirements of the State of Tennessee Department of Audit, Audit Manual 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). Because this schedule presents only a selected portion of the operations of the School, it is not intended and does not present the net position or changes in net position of the School.

Note (2) - Basis of Presentation

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in OMB Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement

Note (3) - Indirect Cost Rate

Capstone Education Group, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



**INDEPENDENT AUDITOR’S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Capstone Education Group, Inc.
Memphis, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Capstone Education Group, Inc., as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Capstone Education Group, Inc.’s basic financial statements, and have issued our report thereon dated December 13, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Capstone Education Group, Inc.’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Capstone Education Group, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of Capstone Education Group, Inc.’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Capstone Education Group, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Memphis, Tennessee
December 13, 2018

Henderson Hutcherson



**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
2018 Audit and Tax File
Memphis, Tennessee

Report On Compliance For Each Major Federal Program

We have audited Capstone Education Group, Inc.'s ("School") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2018. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

Opinion on Each Major Federal Program

In our opinion, Capstone Education Group, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express such an opinion on the effectiveness of the School's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purposes.

Memphis, Tennessee
December 13, 2018

*Henderson Hutcherson
in McCullough, PLLC*

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2018

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weaknesses identified None Reported

Significant deficiency(ies) identified
not considered to be material weaknesses None Reported

Noncompliance to financial statements noted None Reported

Federal Awards

Internal control over major programs:

Material weaknesses identified None Reported

Significant deficiency(ies) identified
not considered to be material weaknesses None reported

Type of auditor's report issued on compliance for major program Unmodified

Any audit findings disclosed that are required to be reported in accordance with
Section 510(a) of OMB Circular A-133 None Reported

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.010	School Improvement Grant
84.010	School Improvement Grant - Special Education IDEA
84.010	Title I Grant
84.010	Title II Grant
84.010	Planning School Grant
84.010	Voluntary Pre-Kindergarden Grant
84.010	Pre-School Development Grant

Dollar threshold to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee Yes

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF DISPOSITION OF PRIOR YEAR FINDINGS

YEAR ENDED JUNE 30, 2017

There were no prior year findings reported.

CAPSTONE EDUCATION GROUP, INC.

**FINANCIAL STATEMENTS AND SUPPLEMENTARY
INFORMATION**

JUNE 30, 2019



CERTIFIED PUBLIC ACCOUNTANTS

CAPSTONE EDUCATION GROUP, INC

INDEX TO REPORT

JUNE 30, 2019

	PAGE
GOVERNANCE OFFICIALS	1
INDEPENDENT AUDITOR'S REPORT	2-4
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)	5-8
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	9
STATEMENT OF ACTIVITIES	10
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUND	11
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION	12
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND	13
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAT FUND TO THE STATEMENT OF ACTIVITIES	14
NOTES TO THE FINANCIAL STATEMENTS	15-34
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) TEACHER LEGACY PENSION PLAN OF TCRS	35
SCHEDULE OF CONTRIBUTIONS TEACHER LEGACY PENSION PLAN OF TCRS	36
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) TEACHER RETIREMENT PLAN OF TCRS	37
SCHEDULE OF CONTRIBUTIONS TEACHER RETIREMENT PLAN OF TCRS	38

CAPSTONE EDUCATION GROUP, INC

INDEX TO REPORT

JUNE 30, 2019

SUPPLEMENTARY INFORMATION

COMBINING BALANCE SHEET – INDIVIDUAL SCHOOLS	39
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF INDIVIDUAL SCHOOLS	40

COMPLIANCE SECTION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE	41-42
INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	43-44
INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	45-46
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	47
SCHEDULE OF DISPOSITION OF PRIOR YEAR FINDINGS	48

CAPSTONE EDUCATION GROUP, INC.

Governance Officials

Primary Governance Officials

Board Members

Jay Harvill, Chairman
Thomas Marino, Vice Chairman
Paul Edwards, Secretary
Elliot Perry
Monika Johnson
Cam Echols
Octavious Nickson
Jason Cook
Scott Walker

Administration

Drew Sippel, Executive Director



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Capstone Education Group, Inc.
Memphis, Tennessee

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Capstone Education Group, Inc. (a nonprofit corporation) (the “School”) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School’s basic financial statements as listed in the table of contents.

Management’s Responsibility For The Financial Statements

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

Auditor’s Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the School as of June 30, 2019, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The accompanying governance officials schedule and Schedule of Expenditures of Federal Awards and State Financial Assistance, are presented for purposes of additional analysis as required by Comptroller of the Treasury, State of Tennessee and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

The governance officials schedule has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2019, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Memphis, Tennessee
December 20, 2019

*Henderson Hutcherson
& McCullough, PLLC*

CAPSTONE EDUCATION GROUP, INC.
Management's Discussion and Analysis (Unaudited)

The following Management's Discussion and Analysis (MD&A) provides the reader with an introduction and overview to the financial statements of Capstone Education Group, Inc. (the "Organization"). The discussion below presents the Organization's discussion and analysis of the Organization's financial performance during the fiscal year ended June 30, 2019. Please read it in conjunction with the Organization's financial statements.

A. Overview of the Financial Statements

The Statement of Net Position and the Statement of Activities report the performance of the Organization as a whole. The Statement of Net Position includes all of the Organization's assets and liabilities in a manner similar to a private-sector company. These statements include all assets and liabilities using the accrual method of accounting. Under the accrual method, all of the current year's revenue and expenses are taken into consideration regardless of when cash is received or paid.

The Statement of Net Position calculates the difference between the total assets and total liabilities. This is one way to measure the Organization's financial health or position. Over time, increases or decreases in the Organization's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The Statement of Activities reports expenses and revenue for the Organization as a whole. The reader can use this statement to identify the areas of spending and areas of revenue that generated the change in net position during the year.

The Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balances report the Organization's Fund financial activities, not the Organization as a whole. These statements provide detailed information about the Organization's most significant funds. Funds are established by the Organization to help manage money for particular purposes and compliance with various grant provisions.

The Organization's funds are categorized as "governmental funds." Governmental funds focus on how money flows in and out of the funds and the balances remaining at year-end that are available for spending in future periods. Fund financial statements are reported using an accounting method called "modified accrual" accounting, which measures cash and other financial assets that can be readily converted to cash. This method of accounting is different from the accrual method used in the Organization-wide financial statements to report on the Organization as a whole. The relationship between governmental activities as reported in the Balance Sheet, Statement of Revenues, Expenditures and Changes in Fund Balances is reconciled to the basic financial statements following each of the Governmental Fund financial statements.

CAPSTONE EDUCATION GROUP, INC.
Management's Discussion and Analysis (Unaudited)

B. Condensed Financial Information

The Organization's condensed comparative statements of net position and activities are as follows:

Capstone Education Group, Inc.'s Net Position

	Governmental Activities	
	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Current and other assets	\$ 14,734,078	\$ 12,662,669
Capital assets	<u>-</u>	<u>-</u>
Total assets	<u>14,734,078</u>	<u>12,662,669</u>
Deferred pension outflows	<u>1,193,209</u>	<u>1,344,453</u>
Total deferred outflows of resources	<u>1,193,209</u>	<u>1,344,453</u>
Other liabilities	-	85,320
Long-term liabilities	<u>175,000</u>	<u>175,000</u>
Total liabilities	<u>175,000</u>	<u>260,320</u>
Deferred pension inflows	<u>560,508</u>	<u>645,560</u>
Total deferred inflows of resources	<u>560,508</u>	<u>645,560</u>
Net position		
Net investment in capital assets	-	-
Restricted	1,267,585	872,023
Unrestricted	<u>13,924,194</u>	<u>12,229,219</u>
Total net position	<u>\$ 15,191,779</u>	<u>\$ 13,101,242</u>

CAPSTONE EDUCATION GROUP, INC.
Management's Discussion and Analysis (Unaudited)

Capstone Education Group, Inc.'s Statement of Activities
For the Years Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues		
State and local per pupil operating revenue	\$ 11,705,999	\$ 11,414,458
Operating grants and contributions	2,664,552	2,683,562
Contributions and private grants	1,182,232	1,238,222
Other income	<u>121,958</u>	<u>69,390</u>
 Total revenue	 <u>15,674,741</u>	 <u>15,405,632</u>
Expenses		
Regular instruction	5,558,136	6,216,727
Fiscal services	2,110,038	1,994,731
Special education	1,885,711	1,636,677
Operation of plant	1,288,783	885,385
Other student support	610,183	578,107
Office of principal	615,704	565,037
Student support	885,220	847,519
Early childhood education	301,923	283,898
Contracts with public carriers	295,096	176,284
Student body education	26,462	27,778
Other expenses	<u>6,948</u>	<u>4,513</u>
 Total expenses	 <u>13,584,204</u>	 <u>13,216,656</u>
 Change in Net Position	 <u>\$ 2,090,537</u>	 <u>\$ 2,188,976</u>

C. Analysis of Financial Position and Results of Operation

The Organization's cash position and investments at year-end was very strong. The Organization's change in net position for the year was also very strong. As noted on subsequent pages, the Organization generated a positive change in net position of \$2,090,537. The reasons for the positive change in net position are identified on the detailed financial statements.

Revenue: Total revenue for the year ended June 30, 2019 was \$15,674,741. The three major sources of this revenue were:

- State and local per pupil operating revenue - \$11,705,999
- Operating grants and contributions - \$2,664,552
- Contributions and private grants - \$1,182,232

CAPSTONE EDUCATION GROUP, INC.
Management's Discussion and Analysis (Unaudited)

State and local per pupil revenue is simply a function of the state allowance per pupil and the number of pupils served by the Organization. The contributions and private grants reflect organizations, individuals and entities that support the work of the Organization in providing children with the best possible education. The Organization is honored so many people provide financial resources to support the work of educating children on our campus.

Expenses: The Organization places great emphasis on directing funds to areas that directly impact the education of children. The expenses found in the financial statements reflect this focus. The organization spent the largest percentage of its funds in the regular instruction category, followed by spending on special education. The Organization is pleased to be able to manage expenses in such a manner that provides the greatest resources to the instruction of children.

More information:

This financial report is designed to provide our students' parents, taxpayers, donors, creditors, authorities over grant funding and agencies tasked with oversight of Shelby County public schools with a general overview of the Organization's finances and to demonstrate the Organization's accountability of the money it receives. If you have questions about this report or need additional financial information, contact the Executive Director by telephone at (901) 416-3640 or by email: dsippel@cornerstoneprepmemphis.org.

CAPSTONE EDUCATION GROUP, INC.

STATEMENT OF NET POSITION

JUNE 30, 2019

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 9,988,823
Investment - Stabilization Reserve Trust	88,225
Other investments	2,531,391
State and local per pupil funding receivable	533,226
Grants receivable	1,000,230
Net pension asset	
Teacher Legacy Pension Plan	334,304
Teacher Hybrid Pension Plan	212,355
Prepaid expenses	45,524
Capital assets, net of accumulated depreciation of \$23,723	<u>-</u>
Total assets	<u>14,734,078</u>
DEFERRED OUTFLOWS OF RESOURCES	
Teacher Legacy Pension Plan	1,053,223
Teacher Hybrid Pension Plan	<u>139,986</u>
Total deferred outflows of resources	<u>1,193,209</u>
LIABILITIES	
Long-term liability	<u>175,000</u>
Total liabilities	<u>175,000</u>
DEFERRED INFLOWS OF RESOURCES	
Teacher Legacy Pension Plan	532,443
Teacher Hybrid Pension Plan	<u>28,065</u>
Total deferred inflows of resources	<u>560,508</u>
NET POSITION	
Restricted	
Pension and related items	1,179,360
Stabilization Reserve Trust	88,225
Unrestricted	<u>13,924,194</u>
Total net position	<u>\$ 15,191,779</u>

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

CAPSTONE EDUCATION GROUP, INC.

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

		Functions	
Governmental Activities	Total	Student Instruction and Support Services	General and Administrative
EXPENSES			
Regular instruction	\$ 5,558,136	\$ 5,558,136	\$ -
Fiscal services	2,110,038	2,038,742	71,296
Special education	1,885,711	1,778,995	106,716
Operation of plant	1,288,783	1,248,828	39,955
Other student support	610,183	610,183	-
Office of principal	615,704	550,330	65,374
Student support	885,220	885,220	-
Early childhood education	301,923	301,923	-
Contracts with public carriers	295,096	295,096	-
Student body education	26,462	26,462	-
Other expenses	6,948	6,948	-
	13,584,204	13,300,863	283,341
PROGRAM REVENUES			
Operating grants and contributions	2,664,552	2,664,552	-
Contributions and private grants	1,182,232	1,182,232	-
Other income	121,958	121,958	-
Total program revenues	3,968,742	3,968,742	-
Net program expenses	9,615,462	\$ 9,332,121	\$ 283,341
GENERAL REVENUES			
State and local per pupil operating revenue	11,705,999		
CHANGE IN NET POSITION	2,090,537		
NET POSITION - beginning of year	13,101,242		
NET POSITION - end of year	\$ 15,191,779		

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

CAPSTONE EDUCATION GROUP, INC.

BALANCE SHEET - GOVERNMENTAL FUND

JUNE 30, 2019

	General Fund
ASSETS	
Cash and cash equivalents	\$ 9,988,823
Investment - Stabilization Reserve Trust	88,225
Other investments	2,531,391
State and local per pupil funding receivable	533,226
Grants and other receivable	1,000,230
Prepaid expenses	<u>45,524</u>
 Total assets	 <u>\$ 14,187,419</u>
 LIABILITIES	 <u>\$ -</u>
 FUND BALANCE	
Non-spendable	45,524
Restricted - Stabilization Reserve Trust	88,225
Unassigned	<u>14,053,670</u>
 Total fund balance	 <u>14,187,419</u>
 Total liabilities and fund balance	 <u>\$ 14,187,419</u>

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

11

CAPSTONE EDUCATION GROUP, INC.

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION

JUNE 30, 2019

Total governmental fund balance	\$ 14,187,419
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Net pension assets is not reported in the funds.	546,659
Deferred outflows relating to pension costs which are applicable to future periods and are not reported in the funds	1,193,209
Deferred inflows related to pension costs which are applicable to future periods are not reported in the funds	(560,508)
Long term liability is not due and payable in current period, and therefore is not reported in the government fund	<u>(175,000)</u>
Net position of governmental activities	<u>\$ 15,191,779</u>

CAPSTONE EDUCATION GROUP, INC.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND

YEAR ENDED JUNE 30, 2019

	General Fund
REVENUES	
State and local per pupil operating revenue	\$ 11,705,999
Operating grants and contributions	2,664,552
Contributions and private grants	1,182,232
Other income	121,958
	<hr/>
Total revenues	15,674,741
EXPENDITURES	
CURRENT	
Regular instruction	5,865,473
Fiscal services	2,110,038
Special education	1,885,711
Operation of plant	1,288,783
Other student support	610,183
Office of principal	615,704
Student support	885,220
Early childhood education	301,923
Contracts with public carriers	295,096
Student body education	26,462
Other expenses	6,948
	<hr/>
Total expenditures	13,891,541
CHANGE IN FUND BALANCE	1,783,200
FUND BALANCE - beginning of year	<hr/> 12,404,219
FUND BALANCE - end of year	<hr/> \$ 14,187,419

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

13

CAPSTONE EDUCATION GROUP, INC.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2019

Net change in fund balance - governmental fund	\$ 1,783,200
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Contributions to pension plans made after the measurement date are recorded as expenditures in the governmental fund but must be deferred in the statement of net position. Certain amounts related to the net pension assets are also deferred and amortized over time.	<u>307,337</u>
Change in net position of governmental activities	<u>\$ 2,090,537</u>

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Capstone Education Group, Inc. (the “School”) is a non-profit organization that was founded in 2012 to provide quality education to families in the city of Memphis, with a particular emphasis on the Binghampton and Frayser communities.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The School prepares its financial statements in accordance with accounting principles generally accepted in the United States of America, as applied to local governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting and report information on all non-fiduciary activities of the primary government. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Funding for the School comes primarily through the per pupil allocation from the State of Tennessee’s Basic Education Program (“BEP”), which is passed through the Achievement School District (“ASD”). Charges to the ASD are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligible requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Government-Wide Financial Statements

The government-wide financial statements focus on the sustainability of the School as an entity and the change in the School’s net position resulting from the current year’s activities.

Current regulations require the classification of net position into three components: invested in capital assets, restricted; and unrestricted. These classifications are defined as follows:

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements (Continued)

Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances (if any) of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, by contributors, by grantors, or by state legislation.

Unrestricted – This component of net position consists of net position that do not meet the definition of restricted or invested in capital assets, net of related debt. When both restricted and unrestricted assets are available for use, it is the School's policy to utilize restricted assets first, then unrestricted assets as needed.

The government-wide statement of activities reports both the gross and net cost of the School's functions. The functions are also supported by general government revenues (general revenues are primarily made up of state and local per pupil revenue and donations to the general fund). The statement of activities reduces gross expenses by related function revenues, operating and capital grants. Program revenues must be directly associated with the function. The net costs by function are normally covered by general revenue. The School allocates indirect cost between functions.

Fund Financial Statements

The financial transactions of the School are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenses. The School reports the following major governmental fund:

The General Fund is the primary operating fund of the School and accounts for all financial resources of the School, except those required to be accounted for in another fund.

The governmental funds' focus is upon the determination of financial resources, their balance, sources and use, rather than upon net income. The School classifies governmental fund balances as nonspendable, restricted, committed, assigned and unassigned based on the level of constraints on the fund balances. When an expenditure is incurred in which both restricted and unrestricted funds are available for use, it is the School's policy to spend restricted funds first, then unrestricted funds. When an expenditure has been incurred for purposes in which multiple categories of unrestricted funds are available, it is the School's policy to spend funds in the following order: committed, then assigned, and lastly unassigned funds. The classifications of fund balances are defined as follows:

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

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

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

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

Assigned – This classification consists of all fund balances that are not in the general fund or classified as nonspendable, restricted or committed. In addition, general fund balances that the School intends to use for specific purposes are also classified as assigned. The School gives the authority to assign amounts to specific purposes to the School's controller and personnel under the supervision of the controller tasked with financial recording responsibilities.

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

Cash and Cash Equivalents

The School considers cash on hand, savings, checking, certificates of deposit and other similar accounts to be cash. All highly liquid debt instruments with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits and Investments

The School does not have formal deposit policies that address its exposure to custodial credit risk and maintains its cash and cash equivalents at one financial institution. At times, such balances may be in excess of the FDIC insurance limit of \$250,000; however, management does not believe it is exposed to any significant credit risk on cash and cash equivalents.

The School's investment decisions must be approved by the Board of Directors and its investments are comprised solely of its beneficial interest in assets held by Hope Christian Community Foundation ("HCCF") and are presented at fair value. The beneficial interest in assets held by HCCF are certain assets transferred to HCCF under the terms of a designated fund agreement. These funds transferred to HCCF are to be reflected in the statement of net position as an asset if the transferor retains the right to direct the fund.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deposits and Investments (Continued)

Distributions from the fund are not subject to variance power and the School can request principal and interest from the fund at any time. The School board has selected a pool of bank deposits and government notes. Since the School owns a component of the pooled investments comprising the beneficial interest in assets held by HCCF, these assets are considered Level 3 assets (inputs into determination of fair value are not observable and significant management judgement or estimation is required). These assets are carried at fair value based on information provided by HCCF.

Grants Receivable

Grants receivable represents grant amounts due from federal programs. An allowance for doubtful accounts is maintained based upon collection experience and a review of the collectability of specific outstanding receivables. Receivables are charged against the allowance when they are determined to be uncollectible by management. There is no allowance for doubtful accounts as of June 30, 2019, as management believes all amounts are collectible. All receivables of the School are expected to be collected within sixty days.

Capital Assets

Capital assets acquired by the School are considered to be owned by the School. However, state funding sources may maintain equitable interest in the capital assets purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The State's equitable interest is in capital assets with an acquisition cost which equals or exceeds \$5,000 and an estimated useful life of more than one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets purchased are stated at cost, and donated assets are recorded at estimated fair market value. Capital asset purchases in excess of \$5,000 are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 5 to 7 years.

Grants

The School received Federal financial assistance through state and private agencies. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies.

Use of Estimates in the Preparation of Financial Statements

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

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Comparison

The School is not required to adopt a legally binding budget; therefore no budgetary comparison statement of the general fund has been presented.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School's deferred outflows of resources relate to items associated with the teacher pension plans.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The School's deferred inflows of resources relate to items associated with the teacher pension plans.

Federal Tax Status

The School is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3).

Accounting principles generally accepted in the United States of America require management of the School to evaluate tax positions taken by the School and recognize a tax liability (or asset) if the School has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The School has analyzed the tax positions taken by the School and has concluded that as of June 30, 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The School is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The School believes that it is no longer subject to income tax examinations for years prior to 2016.

Support and Revenue

Contributions are recognized when the donor makes an unconditional promise to contribute to the School's activities or when the actual gift is received.

Revenue from the state and local governments resulting from the School's charter status and based on the number of students enrolled is recorded when services are performed in accordance with the charter agreement.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions

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

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

NOTE 2 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets being depreciated:				
Equipment	\$ 14,233	\$ -	\$ -	\$ 14,233
Building improvements	9,490	-	-	9,490
	<u>23,723</u>	<u>-</u>	<u>-</u>	<u>23,723</u>
Accumulated depreciation	<u>(23,723)</u>	<u>-</u>	<u>-</u>	<u>(23,723)</u>
Total capital assets being depreciated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

There was no depreciation recorded for the fiscal year ended June 30, 2019.

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 3 – LONG-TERM LIABILITY

The School has entered into an unsecured note payable in the amount of \$175,000 from an unrelated not-for-profit company. The terms of the agreement state that the note may be convertible, in the lender’s sole discretion, to grant income upon the School achieving certain performance milestones. Otherwise, the note is payable upon its maturity date of December 31, 2021, plus accrued interest at 1% per year.

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Amount Due Within One Year
Note payable	<u>\$ 175,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,000</u>	<u>\$ -</u>

Subsequent to year end, the loan was forgiven and converted to grant income due to the School achieving certain performance milestones.

NOTE 4 – CONCENTRATIONS

Approximately 75% of the School’s revenue for the year ended June 30, 2019, was from the Achievement School District.

NOTE 5 – COMMITMENTS – EQUIPMENT LEASE

The School leases equipment under the terms of non-cancellable operating lease agreements expiring at various dates through June, 2021. Rent expense under these leases totaled \$21,826.

At June 30, 2019, future minimum rental payments on the non-cancellable operating leases are as follows:

Year	Amount
2020	\$ 15,840
2021	<u>11,940</u>
	<u>\$ 27,780</u>

NOTE 6 – TCRS STABILIZATION TRUST

Legal Provisions

The School is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The School has placed funds into the irrevocable trust as authorized by statute under Tennessee Code Annotated (TCA), Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member’s funds are restricted for the payment of retirement benefits of that member’s employees. Trust funds are not subject to the claims of general creditors of the School.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 6 – TCRS STABILIZATION TRUST (Continued)

Legal Provisions (Continued)

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The School may not impose any restrictions on investments placed by the trust on their behalf.

Investment Balances

Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool's underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares.

Investments are reported at fair value or amortized which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair Securities and securities transactions are recorded in the financial statements on a tradedate basis. The fair value of assets of the TRGT held at June 30, 2019, represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets held are categorized for fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.
- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.
- Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable Investments using the Net Asset Value (“NAV”) per share have no readily determinable fair value and have been determined using amortized cost which approximates fair value.

Where inputs used in the measurement of fair value fall into different levels of the hierarchy, fair value of the instrument in its entirety is categorized based on the lowest level input that is significant to the valuation. This assessment requires professional judgement and as such management of the TRGT developed a fair value committee that worked in conjunction with the plan's custodian and investment professionals to make these valuations. All assets held were valued individually and aggregated into classes so to be represented in the table below.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 6 – TCRS STABILIZATION TRUST (Continued)

Investment Balances (Continued)

Short-term securities generally include investments in money market-type securities reported at cost plus accrued interest.

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

US Treasury Bills, Bonds, Notes and Futures classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Debt and debt derivative securities classified in Level 2 are valued using a bid-ask spread price from multiple independent brokers, dealers, or market principals, which are known to be actively involved in the market. Level 3 debt securities are valued using proprietary information, a single pricing source, or other unobservable inputs related to similar assets or liabilities.

Real estate investments classified in Level 3 are valued using the last valuations provided by external investment advisors or independent external appraisers. Generally, all direct real estate investments are appraised by a qualified independent appraiser(s) with the professional designation of Member of the Appraisal Institute (“MAI”), or its equivalent, every three (3) years beginning from the acquisition date of the property. The appraisals are performed using generally accepted valuation approaches applicable to the property type.

Investments in private mutual funds, traditional private equity funds, strategic lending funds and real estate funds that report using GAAP, the fair value, as well as the unfunded commitments, were determined using the prior quarter’s NAV, as reported by the fund managers, plus the current cash flows. These assets were then categorized by investment strategy. In instances where the fund investment reported using non-GAAP standards, the investment was valued using the same method, but was classified in Level 3.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 6 – TCRS STABILIZATION TRUST (Continued)

Investment Balances (Continued)

At June 30, 2019, the School had the following investments held by the trust on its behalf.

<u>Investment</u>	<u>Weighted Average Maturity (days)</u>	<u>Maturities</u>	<u>Fair Value</u>
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 27,350
Developed Market International Equity	N/A	N/A	12,351
Emerging Market International Equity	N/A	N/A	3,529
U.S. Fixed Income	N/A	N/A	17,645
Real Estate	N/A	N/A	8,823
Short-term Securities	N/A	N/A	882
Investments at Amortized Cost using the NAV:			
Private Equity and Strategic Lending	N/A	N/A	17,645
			<u>\$ 88,225</u>

<u>Investment by Fair Value Level</u>	<u>Fair Value June 30, 2019</u>	<u>Fair Value Measurements Using</u>			<u>Amortized Cost</u>
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>	<u>NAV</u>
U.S. Equity	\$ 27,350	\$ 27,350	\$ -	\$ -	\$ -
Developed Market International Equity	12,351	12,351	-	-	-
Emerging Market International Equity	3,529	3,529	-	-	-
U.S. Fixed Income	17,645	-	17,645	-	-
Real Estate	8,823	-	-	8,823	-
Short-term Securities	882	-	882	-	-
Private Equity and Strategic Lending	17,645	-	-	-	17,645
	<u>\$ 88,225</u>	<u>\$ 43,230</u>	<u>\$ 18,527</u>	<u>\$ 8,823</u>	<u>\$ 17,645</u>

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 6 – TCRS STABILIZATION TRUST (Continued)

Risks and Uncertainties

The trust's investments include various types of investment funds, which in turn invest in any combination of stock, bonds and other investments exposed to various risks, such as interest rate, credit, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported for trust investments.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School does not have the ability to limit trust investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School does not have the ability to limit the credit ratings of individual investments made by the trust.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. The School places no limit on the amount the county may invest in one issuer.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the School to pay retirement benefits of the School Department employees.

For further information concerning the School Department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at

<https://comptroller.tn.gov/content/dam/cot/sa/advancedsearch/disclaimer/2019/ag18092.pdf>.

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS

General Information About the Pension Plan

Plan description. The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

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

Benefits provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Retirement Plan are eligible to retire with an unreduced benefit at age 65 with 5 years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive years average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 60 and vested or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS (Continued)

General Information About the Pension Plan (Continued)

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers contribute 5 percent of salary. The LEAs make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing the TCRS, the employer contribution rate cannot be less than 4.00 percent, except in years when the maximum funded level, as established by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the School for the year ended June 30, 2019 to the Teacher Retirement Plan were \$83,772 which is 1.94 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension liabilities (assets). At June 30, 2019, the School reported an asset of \$212,355 for its proportionate share of net pension asset. The net pension liability was measured as of June 30, 2018, and the total pension asset used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension asset was based on the School's contributions to the pension plan relative to the contributions of all LEAs. At the measurement date of June 30, 2018, the School's proportion was 0.468228 percent. The proportion measured as of June 30, 2017 was 0.545032 percent.

Pension expense. For the year ended June 30, 2019, the School recognized pension expense of \$74,588.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2019, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,027	\$ 8,458
Net difference between projected and actual earnings on pension plan investments	-	11,995
Changes in assumptions	10,018	-
Changes in proportion of net pension asset	34,169	7,612
LEA's contributions subsequent to the measurement date of June 30, 2018	<u>83,772</u>	<u>-</u>
Total	<u>\$ 139,986</u>	<u>\$ 28,065</u>

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS (Continued)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The School's employer contributions of \$83,772, reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as an increase in net pension asset in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2020	\$ 514
2021	134
2022	(1,576)
2023	1,558
2024	3,156
Thereafter	<u>24,363</u>
	<u>\$ 28,149</u>

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

Actuarial assumptions. The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.75 to 3.45 percent based on age, including inflation, averaging 4.00 percent
Investment rate of return	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustment	2.25 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2018 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012 through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS (Continued)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
U.S. equity	5.69%	31%
Developed market international equity	5.29%	14%
Emerging market international equity	6.36%	4%
Private equity and strategic lending	5.79%	20%
U.S. fixed income	2.01%	20%
Real estate	4.32%	10%
Short-term securities	0.00%	1%
		<u>100%</u>

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the three factors described above.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

Sensitivity of the proportionate share of net pension liability (asset) to changes in the discount rate. The following presents the School’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the School’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
School’s proportionate share of the net pension liability (asset)	\$ <u>32,830</u>	\$ <u>(212,355)</u>	\$ <u>(392,998)</u>

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in a separately issued TCRS financial report.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 7 – TEACHER RETIREMENT PLAN OF TCRS (Continued)

Payable to the Pension Plan

At June 30, 2019, the School did not have a payable for the outstanding amount of the contributions to the pension plan required at the year ended June 30, 2019.

NOTE 8 – TEACHER LEGACY PENSION PLAN

General Information About the Pension Plan

Plan description. The Tennessee Consolidated Retirement System (TCRS) was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS.

The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at <https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies>.

Teachers employed the School with membership in the TCRS before July 1, 2014 are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees.

Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan.

Benefits provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 55 and vested. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 8 – TEACHER LEGACY PENSION PLAN (Continued)

General Information About the Pension Plan (Continued)

Contributions. Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The LEAs make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the School for the year ended June 30, 2019 to the Teacher Legacy Pension Plan were \$347,761 which is 9.03 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension liabilities (assets). At June 30, 2019, the School reported an asset of \$334,304 for its proportionate share of net pension asset. The net pension asset was measured as of June 30, 2018, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The School's proportion of the net pension asset was based on the School's share of contributions to the pension plan relative to the contributions of all LEAs. At the measurement date of June 30, 2018 the School's proportion was 0.095002 percent. The proportion measured as of June 30, 2017 was 0.089656 percent.

Pension expense. For the year ended June 30, 2019, the School recognized pension expense of \$89,265.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2019, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 67,574	\$ 451,002
Changes in assumptions	197,441	-
Net difference between projected and actual earnings on pension plan investments	-	72,758
Changes in proportion of net pension liability (asset)	440,447	8,683
LEA's contributions subsequent to the measurement date of June 30, 2018	<u>347,761</u>	<u>-</u>
Total	<u>\$ 1,053,223</u>	<u>\$ 532,443</u>

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 8 – TEACHER LEGACY PENSION PLAN (Continued)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The School’s employer contributions of \$347,761, reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as an increase in net pension liability (asset) in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:		
2020	\$	253,876
2021		78,200
2022		(131,795)
2023		(27,262)
2024		-
Thereafter		-
		\$ 173,019

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

Actuarial assumptions. The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent	
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent	
Investment rate of return	7.25 percent, net of pension plan investment expenses, including inflation	
Cost-of-Living Adjustment	2.25 percent	

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2018 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012 through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 8 – TEACHER LEGACY PENSION PLAN (Continued)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
U.S. equity	5.69%	31%
Developed market international equity	5.29%	14%
Emerging market international equity	6.36%	4%
Private equity and strategic lending	5.79%	20%
U.S. fixed income	2.01%	20%
Real estate	4.32%	10%
Short-term securities	0.00%	1%
		100%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the three factors described above.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of net pension liability (asset) to changes in the discount rate. The following presents the School’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the School’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
School’s proportionate share of the net pension liability (asset)	\$ 2,577,022	\$ (334,304)	\$ (2,743,020)

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in a separately issued TCRS financial report.

(Continued)

CAPSTONE EDUCATION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

NOTE 8 – TEACHER LEGACY PENSION PLAN (Continued)

Payable to the Pension Plan

At June 30, 2019, the School did not have a payable for the outstanding amount of the contributions to the pension plan required at the year ended June 30, 2018.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the statement of net position date through the date of the independent auditor's report (the date the financial statements were available to be issued) for potential recognition or disclosure in the financial statements. Management has not identified any items requiring recognition or disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)*
TEACHER LEGACY PENSION PLAN OF TCRS

LAST FISCAL YEAR ENDED JUNE 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Capstone Education Group's proportion of the net pension liability (asset)	\$ (334,304)	\$ (29,333)	\$ 558,914	\$ 22,915	\$ (9,484)
Capstone Education Group's proportion of the net pension liability (asset)	0.095002%	0.089656%	0.089434%	0.055939%	0.057900%
Capstone Education Group's covered payroll	\$ 3,346,637	\$ 3,264,086	\$ 3,228,399	\$ 2,886,836	\$ 2,275,236
Capstone Education Group's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-9.99%	-0.90%	17.31%	0.79%	-0.42%
Plan fiduciary net position as a percentage of the total pension liability	101.490%	100.14%	97.14%	99.81%	100.08%

* GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior year's data, if needed.

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF CONTRIBUTIONS
TEACHER LEGACY PENSION PLAN OF TCRS

LAST FISCAL YEAR ENDED JUNE 30

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 347,761	\$ 302,060	\$ 286,505	\$ 291,847	\$ 260,970	\$ 202,041
Contribution in relation to the contractually required contribution	<u>347,761</u>	<u>302,060</u>	<u>286,505</u>	<u>291,847</u>	<u>260,970</u>	<u>202,041</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capstone Education's covered payroll	\$ 3,851,173	\$ 3,346,637	\$ 3,264,086	\$ 3,228,399	\$ 2,886,836	\$ 2,275,236
Contributions as a percentage of Capstone Education's covered payroll	9.03%	9.03%	8.78%	9.04%	9.04%	8.88%

* GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of HGASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

Changes of assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)* TEACHER RETIREMENT PLAN OF THE TCRS

LAST FISCAL YEAR ENDED JUNE 30

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Capstone Education Group's proportion of the net pension liability (asset)	\$ (212,355)	\$ (143,797)	\$ (72,608)	\$ (15,273)
Capstone Education Group's proportion of the net pension liability (asset)	0.468228%	0.545032%	0.697464%	0.397000%
Capstone Education Group's covered payroll	\$ 4,093,503	\$ 3,523,213	\$ 3,068,870	\$ 788,825
Capstone Education Group's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-5.19%	-4.08%	-2.37%	-1.94%
Plan fiduciary net position as a percentage of the total pension liability	126.81%	126.81%	121.88%	127.46%

* GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior year's data, if needed.

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF CONTRIBUTIONS
TEACHER RETIREMENT PLAN OF THE TCRS

LAST FISCAL YEAR ENDED JUNE 30

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 83,772	\$ 66,726	\$ 143,090	\$ 76,820	\$ 192,721
Contribution in relation to the contractually required contribution	<u>83,772</u>	<u>163,670</u>	<u>143,090</u>	<u>122,755</u>	<u>31,553</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (96,944)</u>	<u>\$ -</u>	<u>\$ (45,935)</u>	<u>\$ 161,168</u>
Capstone Education's covered payroll	\$ 4,318,144	\$ 4,093,503	\$ 3,523,213	\$ 3,068,870	\$ 788,825
Contributions as a percentage of Capstone Education's covered payroll	1.94%	4.00%	4.06%	4.00%	4.00%

* GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of HGASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from the TCRS GASB website for prior years' data, if needed.

* In FY 2019 the School Department placed the actuarially determined contribution rate (1.94%) of covered payroll into the pension plan and placed 2.06% of covered payroll into the Pension Stabilization Reserve Trust.

CAPSTONE EDUCATION GROUP, INC.

COMBINING BALANCE SHEET - INDIVIDUAL SCHOOLS

JUNE 30, 2019

	Cornerstone Prep - Lester Campus	Lester Prep	Cornerstone Prep - Denver Campus	CMO Management	Total
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 9,988,823	\$ 9,988,823
Investment - Stabilization Reserve Trust	-	-	-	88,225	88,225
Other investments	-	-	-	2,531,391	2,531,391
State and local per pupil funding receivable	190,711	137,239	205,276		533,226
Grants and other receivable	505,852	137,490	356,888		1,000,230
Prepaid expenses	13,957	7,712	17,123	6,732	45,524
Interdivisional balance	<u>(461,411)</u>	<u>200,131</u>	<u>4,204,255</u>	<u>(3,942,975)</u>	<u>-</u>
Total assets	<u>249,109</u>	<u>482,572</u>	<u>4,783,542</u>	<u>8,672,196</u>	<u>14,187,419</u>
LIABILITIES					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE					
Non-spendable	13,957	7,712	17,123	6,732	45,524
Unassigned	<u>235,152</u>	<u>474,860</u>	<u>4,766,419</u>	<u>8,665,464</u>	<u>14,141,895</u>
Total fund balance	<u>249,109</u>	<u>482,572</u>	<u>4,783,542</u>	<u>8,672,196</u>	<u>14,187,419</u>
Total liabilities and fund balance	<u>\$ 249,109</u>	<u>\$ 482,572</u>	<u>\$ 4,783,542</u>	<u>\$ 8,672,196</u>	<u>\$ 14,187,419</u>

CAPSTONE EDUCATION GROUP, INC.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF INDIVIDUAL SCHOOLS

YEAR ENDED JUNE 30, 2019

	Cornerstone Prep - Lester Campus	Lester Prep	Cornerstone Prep - Denver Campus	CMO Management	Total
REVENUES					
State and local per pupil operating revenue	\$ 3,626,548	\$ 2,352,877	\$ 5,726,574	\$ -	\$ 11,705,999
Operating grants and contributions	850,220	484,025	1,330,307	-	2,664,552
Contributions and private grants	163,000	6,999	185,497	826,736	1,182,232
Other income	18,642	13,746	9,834	79,736	121,958
	<u>4,658,410</u>	<u>2,857,647</u>	<u>7,252,212</u>	<u>906,472</u>	<u>15,674,741</u>
Total revenues					
EXPENDITURES					
CURRENT					
Regular instruction	1,689,583	1,138,686	2,980,716	56,488	5,865,473
Fiscal services	413,760	160,726	532,281	1,003,271	2,110,038
Special education	684,481	309,211	726,869	165,150	1,885,711
Operation of plant	570,708	219,236	439,820	59,019	1,288,783
Other student support	196,000	120,052	290,434	3,697	610,183
Office of principal	208,939	181,997	224,768	-	615,704
Student support	253,764	124,006	288,517	218,933	885,220
Early childhood education	175,241	-	126,682	-	301,923
Management fee	336,337	221,266	548,024	(1,105,627)	-
Contracts with public carriers	15,204	98,631	181,261	-	295,096
Student body education	-	26,462	-	-	26,462
Other expenses	-	-	-	6,948	6,948
	<u>4,544,017</u>	<u>2,600,273</u>	<u>6,339,372</u>	<u>407,879</u>	<u>13,891,541</u>
Total expenditures					
CHANGE IN FUND BALANCE	114,393	257,374	912,840	498,593	1,783,200
FUND BALANCE - beginning of year	<u>134,716</u>	<u>225,198</u>	<u>3,870,702</u>	<u>8,173,603</u>	<u>12,404,219</u>
FUND BALANCE - end of year	<u>\$ 249,109</u>	<u>\$ 482,572</u>	<u>\$ 4,783,542</u>	<u>\$ 8,672,196</u>	<u>\$ 14,187,419</u>

COMPLIANCE SECTION

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 2019

<u>Federal Agency Name</u>	<u>Pass Through Agency</u>	<u>Federal Program Title</u>	<u>CFDA Number</u>	<u>Receivable June 30, 2018</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Receivable June 30, 2019</u>
Federal Awards							
U. S. Department of Education	State of Tennessee	School Improvement Grant	84.010	\$ 101,906	\$ 433,784	\$ 439,353	\$ 107,475
U. S. Department of Education	State of Tennessee	School Improvement Grant - Special Education IDEA Grant	84.010	180,297	723,498	731,481	188,280
U. S. Department of Education	State of Tennessee	Title I Grant	84.010	135,813	805,501	1,020,170	350,482
U. S. Department of Education	State of Tennessee	Title II Grant	84.010	18,596	108,357	119,218	29,457
U. S. Department of Education	State of Tennessee	Title IV Grant	84.010	-	-	3,999	3,999
U. S. Department of Education	State of Tennessee	Voluntary Pre-Kindergarten Grant	84.010	28,579	257,178	311,863	83,264
U. S. Department of Education	State of Tennessee	Pre-School Development Grant	84.010	<u>24,795</u>	<u>24,795</u>	<u>-</u>	<u>-</u>
Total Federal Awards				<u>489,986</u>	<u>2,353,113</u>	<u>2,626,084</u>	<u>762,957</u>

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

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 2019

State Financial Assistance

Tennessee Department of Education							
Achievement School District							
Basic Education Program	N/A	N/A	N/A	419,037	11,591,810	11,705,999	533,226
Principal Leadership	N/A	N/A	N/A	-	39,000	42,465	3,465
Ready to be Ready	N/A	N/A	N/A	-	-	33,808	33,808
Public Act Facility Grant	N/A	N/A	N/A	<u>125,000</u>	<u>125,000</u>	<u>200,000</u>	<u>200,000</u>
Total State Awards				<u>544,037</u>	<u>11,755,810</u>	<u>11,982,272</u>	<u>770,499</u>
Total Awards and Assistance				<u>\$ 1,034,023</u>	<u>\$ 14,108,923</u>	<u>\$ 14,608,356</u>	<u>\$ 1,533,456</u>

Note (1) - Basis of Presentation

The Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of Capstone Education Group, Inc. The information in this schedule is presented in accordance with the requirements of the State of Tennessee Department of Audit, Audit Manual 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). Because this schedule presents only a selected portion of the operations of the School, it is not intended and does not present the net position or changes in net position of the School.

Note (2) - Basis of Presentation

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in OMB Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement

Note (3) - Indirect Cost Rate

Capstone Education Group, Inc. has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



**INDEPENDENT AUDITOR’S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Capstone Education Group, Inc.
Memphis, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Capstone Education Group, Inc., as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Capstone Education Group, Inc.’s basic financial statements, and have issued our report thereon dated December 20, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Capstone Education Group, Inc.’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Capstone Education Group, Inc.’s internal control. Accordingly, we do not express an opinion on the effectiveness of Capstone Education Group, Inc.’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Capstone Education Group, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Memphis, Tennessee
December 20, 2019

Henderson Hutcherson



**INDEPENDENT AUDITOR’S REPORT ON
COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
2019 Audit and Tax File
Memphis, Tennessee

Report On Compliance For Each Major Federal Program

We have audited Capstone Education Group, Inc.’s (“School”) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the School’s major federal programs for the year ended June 30, 2019. The School’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the School’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major program occurred. An audit includes examining, on a test basis, evidence about the School’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School’s compliance.

Opinion on Each Major Federal Program

In our opinion, Capstone Education Group, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express such an opinion on the effectiveness of the School's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purposes.

Memphis, Tennessee
December 20, 2019

*Henderson Hutcherson
in McCullough, PLLC*

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2019

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	None Reported
Significant deficiency(ies) identified not considered to be material weaknesses	None Reported
Noncompliance to financial statements noted	None Reported

Federal Awards

Internal control over major programs:	
Material weaknesses identified	None Reported
Significant deficiency(ies) identified not considered to be material weaknesses	None reported
Type of auditor's report issued on compliance for major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133	None Reported

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
84.010	School Improvement Grant
84.010	School Improvement Grant - Special
84.010	Title I Grant
84.010	Title II Grant
84.010	Title IV Grant
84.010	Voluntary Pre-Kindergarten Grant
84.010	Pre-School Development Grant

Dollar threshold to distinguish between Type A and Type B programs:	\$ 750,000
Auditee qualified as low-risk auditee	Yes

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported

CAPSTONE EDUCATION GROUP, INC.

SCHEDULE OF DISPOSITION OF PRIOR YEAR FINDINGS

YEAR ENDED JUNE 30, 2018

There were no prior year findings reported.

Capstone Education Group, Inc.
Statement of Assets, Liabilities & Equity
As of November 30, 2019

	Nov 30, 19
ASSETS	
Current Assets	
Checking/Savings	
11010 · Cash - Petty Cash	400
11145 · HRA, Flex Medical	54,610
11165 · Pinnacle Bank - Operating	5,185,073
11175 · Pinnacle Bank - Savings	6,199,529
11199 · HCCF Advised Fund	2,531,391
Total Checking/Savings	13,971,002
Total Current Assets	13,971,002
Fixed Assets	
12360 · Equipment & Furnishings	23,723
12490 · Accumulated Depreciation	(23,723)
Total Fixed Assets	0
Other Assets	
14001 · Deferred Outflows - Hybrid Plan	191,233
14000 · Deferred Outflows	1,434,803
Total Other Assets	1,626,036
TOTAL ASSETS	15,597,039
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
21010 · Accounts Payable	166,166
Total Accounts Payable	166,166
Credit Cards	
11211 · AC7260 - Pinnacle Credit Card	1,116
11220 · ML8373 - Pinnacle Credit Card	644
11212 · DS3399 - Pinnacle Credit Card	577
11222 · DB7208 - Pinnacle Credit Card	6,092
11215 · DC4097 - Pinnacle Credit Card	4,973
11224 · LH8997 - Pinnacle Credit Card	1,818
11217 · AW4985 - Pinnacle Credit Card	2,453
11223 · HH8696 - Pinnacle Credit Card	1,005
Total Credit Cards	18,678
Other Current Liabilities	
23001 · Deferred Inflows - Hybrid Plan	33,782
12102 · Net Pension Asset - Hybrid Plan	(143,797)
12101 · Net Pension Asset - Legacy Plan	(29,333)
21068 · Pension Plan - Legacy	3,594
21069 · 401K	(0)
21070 · Pension Plan - Hybrid	(0)
23000 · Deferred Inflows	893,361
Total Other Current Liabilities	757,607
Total Current Liabilities	942,451
Total Liabilities	942,451
Equity	
32000 · Unrestricted Net Assets	14,782,884
Net Income	(128,296)
Total Equity	14,654,588
TOTAL LIABILITIES & EQUITY	15,597,039

Capstone Education Group, Inc.
Revenue & Expenses Budget vs. Actual 19-20
November 2019

	Nov 19	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
44500 · Nonrecurring Items			
44570 · Contributions & Gifts	0	22,500	(22,500)
44571 · MSDF / Other Grants	252,176	0	252,176
Total 44500 · Nonrecurring Items	252,176	22,500	229,676
46500 · State Education Funds			
46511 · Basic Education Program	1,057,157	1,136,755	(79,598)
46515 · Early Childhood Education Progr	0	136,605	(136,605)
Total 46500 · State Education Funds	1,057,157	1,273,360	(216,203)
47100 · Federal Funds Received Thru Sta			
47141 · Title I - Grants to Local Educa	56,273	345,417	(289,144)
47143 · SPED	29,478	309,239	(279,761)
47189 · Title II - Grants to Local Educ	19,338	36,674	(17,336)
47590 · Other Federal Through State Fun	53,525	83,333	(29,808)
Total 47100 · Federal Funds Received Thru Sta	158,613	774,663	(616,050)
Total Income	1,467,945	2,070,523	(602,578)
Gross Profit	1,467,945	2,070,523	(602,578)
Expense			
71100 · Regular Instruction Program			
7110116 · Teachers	385,840	367,073	18,767
7110201 · Social Security	22,883	22,758	125
7110204 · State Retirement	58,969	69,858	(10,889)
7110210 · Unemployment Comp	363	1,835	(1,472)
7110212 · Employer Medicare	5,352	5,323	29
7110369 · Contract-Sub Teachers -Cert	18,633	16,980	1,653
7110429 · Instructional Supp & Mater	18,449	20,916	(2,467)
7110449 · Textbooks	0	113	(113)
Total 71100 · Regular Instruction Program	510,488	504,856	5,632
71200 · Special Education Program			
7120116 · Teachers	55,548	61,376	(5,828)
7120162 · Clerical Personnel	5,008	5,375	(367)
7120163 · Educational Assistants	24,950	21,696	3,254
7120189 · Other Salaries & Wages	11,137	12,544	(1,407)
7120201 · Social Security	5,665	6,262	(597)
7120212 · Employer Medicare	1,325	1,465	(140)
7120312 · Contracts W/Private Agencies	43,022	38,700	4,322
7120314 · Contracts W/Public Carriers	5,653	20,200	(14,547)
7120322 · Evaluation & Testing	11,043	19,318	(8,275)
7120429 · Instructional Supp & Materials	0	883	(883)
7120499 · Other Supplies & Materials	6,092	0	6,092
Total 71200 · Special Education Program	169,443	187,819	(18,376)
71400 · Student Body Educ Program			
7140599 · Other Charges	1,299	3,000	(1,701)
Total 71400 · Student Body Educ Program	1,299	3,000	(1,701)

Capstone Education Group, Inc.
Revenue & Expenses Budget vs. Actual 19-20
November 2019

	Nov 19	Budget	\$ Over Budget
72130 · Other Student Support			
7213123 · Guidance Personnel	53,221	56,513	(3,292)
7213169 · Part-Time Personnel	1,855	0	1,855
7213201 · Social Security	3,120	3,505	(385)
7213212 · Employer Medicare	730	819	(89)
7213355 · Travel	0	1,029	(1,029)
7213499 · Other Supplies & Materials	0	1,875	(1,875)
7213599 · Other Charges	1,388	2,719	(1,331)
Total 72130 · Other Student Support	60,313	66,460	(6,147)
72210 · Regular Instruction Prgrm - SS			
7221105 · Supervisor/Director	67,096	80,066	(12,970)
7221201 · Social Security	4,039	4,963	(924)
7221212 · Employer Medicare	945	863	82
7221299 · Other Fringe Benefits	0	299	(299)
7221432 · Library Books/Media	0	1,042	(1,042)
Total 72210 · Regular Instruction Prgrm - SS	72,080	87,233	(15,153)
72410 · Office of Principal			
7241104 · Principal(s)	27,524	26,500	1,024
7241139 · Assistant Principal(s)	7,222	7,917	(695)
7241201 · Social Security	2,116	2,133	(17)
7241212 · Employer Medicare	495	498	(3)
Total 72410 · Office of Principal	37,356	37,048	308
72510 · Fiscal Services			
7251105 · Supervisor/Director	46,730	64,742	(18,012)
7251161 · Secretary(s)	12,845	12,413	432
7251201 · Social Security	2,560	5,007	(2,447)
7251207 · Medical Insurance	26,719	55,387	(28,668)
7251208 · Dental Insurance	128	0	128
7251210 · Unemployment Compensation	0	772	(772)
7251212 · Employer Medicare	822	1,120	(298)
7251299 · Other Fringe Benefits	782	2,083	(1,301)
7251307 · Communication	2,546	5,999	(3,453)
7251317 · Data Processing Services	1,030	3,416	(2,386)
7251320 · Dues & Memberships	25,784	34,102	(8,318)
7251330 · Operating Lease Payments	2,191	2,417	(226)
7251336 · Maint & Repair Serv - Equip	0	501	(501)
7251348 · Postal Charges	0	283	(283)
7251399 · Other Contracted Services	131,712	17,573	114,139
7251411 · Data Processing Supplies	0	417	(417)
7251524 · In-Service/Staff Development	957	4,323	(3,366)
7251701 · Administration Equipment	0	2,584	(2,584)
Total 72510 · Fiscal Services	254,807	213,139	41,668
72610 · Operation of Plant			
7261328 · Janitorial Services	24,200	23,100	1,100
7261336 · Maint & Repair Services - Equip	14,643	10,000	4,643
7261399 · Other Contracted Services	7,686	8,333	(647)
7261415 · Electricity	18,614	24,334	(5,720)
7261502 · Building & Content Insurance	0	3,285	(3,285)
Total 72610 · Operation of Plant	65,143	69,052	(3,909)

Capstone Education Group, Inc.
Revenue & Expenses Budget vs. Actual 19-20
November 2019

	Nov 19	Budget	\$ Over Budget
72710 · Transportation			
7271314 · Contracts with Public Carriers	26,015	30,320	(4,305)
Total 72710 · Transportation	26,015	30,320	(4,305)
73400 · Early Childhood Education			
7340116 · Teachers	15,596	15,587	9
7340163 · Educational Assistants	8,720	8,187	533
7340201 · Social Security	1,412	1,474	(62)
7340212 · Employer Medicare	330	345	(15)
7340399 · Other Contract Services	0	1,957	(1,957)
7340429 · Instructional Supp & Mater	196	0	196
Total 73400 · Early Childhood Education	26,255	27,550	(1,295)
99002 · Administrative Fees	1,425	0	1,425
Total Expense	1,224,624	1,226,477	(1,853)
Net Ordinary Income	243,321	844,046	(600,725)
Other Income/Expense			
Other Income			
41001 · Interest Income	201	0	201
Total Other Income	201	0	201
Net Other Income	201	0	201
Net Income	243,522	844,046	(600,524)

Capstone Education Group, Inc.
YTD Revenue & Expenses Budget vs. Actual 19-20
July through November 2019

	Jul - Nov 19	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
44000 · Other Local Revenues			
44990 · Other Local Revenue	17,720	0	17,720
Total 44000 · Other Local Revenues	17,720	0	17,720
44500 · Nonrecurring Items			
44570 · Contributions & Gifts	98,421	112,500	(14,079)
44571 · MSDF / Other Grants	252,176	0	252,176
44572 · CSGF	175,000	0	175,000
Total 44500 · Nonrecurring Items	525,597	112,500	413,097
46500 · State Education Funds			
46511 · Basic Education Program	4,228,627	4,547,021	(318,394)
46515 · Early Childhood Education Progr	57,288	136,605	(79,317)
Total 46500 · State Education Funds	4,285,915	4,683,626	(397,711)
47100 · Federal Funds Received Thru Sta			
47141 · Title I - Grants to Local Educa	147,921	345,417	(197,496)
47143 · SPED	64,505	309,239	(244,734)
47189 · Title II - Grants to Local Educ	22,432	36,674	(14,242)
47590 · Other Federal Through State Fun	174,049	83,333	90,716
Total 47100 · Federal Funds Received Thru Sta	408,906	774,663	(365,757)
Total Income	5,238,138	5,570,789	(332,651)
Gross Profit	5,238,138	5,570,789	(332,651)
Expense			
71100 · Regular Instruction Program			
7110116 · Teachers	1,746,851	1,651,826	95,025
7110188 · Bonus Payments	25,000	0	25,000
7110201 · Social Security	105,248	104,894	354
7110204 · State Retirement	278,624	317,322	(38,698)
7110210 · Unemployment Comp	4,354	9,179	(4,825)
7110212 · Employer Medicare	24,616	26,609	(1,993)
7110369 · Contract-Sub Teachers -Cert	59,156	67,920	(8,764)
7110429 · Instructional Supp & Mater	90,029	104,588	(14,559)
7110449 · Textbooks	0	1,702	(1,702)
7110722 · Regular Instruction Equip	0	21,250	(21,250)
Total 71100 · Regular Instruction Program	2,333,878	2,305,290	28,588
71200 · Special Education Program			
7120116 · Teachers	233,404	276,190	(42,786)
7120162 · Clerical Personnel	25,040	26,875	(1,835)
7120163 · Educational Assistants	92,636	97,635	(4,999)
7120189 · Other Salaries & Wages	60,472	61,379	(907)
7120201 · Social Security	23,986	31,310	(7,324)
7120212 · Employer Medicare	5,610	7,323	(1,713)
7120312 · Contracts W/Private Agencies	107,740	116,100	(8,361)
7120314 · Contracts W/Public Carriers	16,646	60,600	(43,954)
7120322 · Evaluation & Testing	60,283	79,774	(19,491)
7120429 · Instructional Supp & Materials	70	4,419	(4,349)
7120499 · Other Supplies & Materials	14,732	0	14,732
Total 71200 · Special Education Program	640,617	761,605	(120,988)
71400 · Student Body Educ Program			
7140599 · Other Charges	6,616	12,000	(5,384)
Total 71400 · Student Body Educ Program	6,616	12,000	(5,384)

Capstone Education Group, Inc.
YTD Revenue & Expenses Budget vs. Actual 19-20
July through November 2019

	Jul - Nov 19	Budget	\$ Over Budget
72130 · Other Student Support			
7213123 · Guidance Personnel	243,415	255,980	(12,565)
7213169 · Part-Time Personnel	6,760	0	6,760
7213201 · Social Security	14,311	17,524	(3,213)
7213212 · Employer Medicare	3,347	4,100	(753)
7213355 · Travel	3,133	5,147	(2,014)
7213499 · Other Supplies & Materials	22,115	9,375	12,740
7213599 · Other Charges	8,854	13,597	(4,743)
Total 72130 · Other Student Support	301,934	305,723	(3,789)
72210 · Regular Instruction Prgrm - SS			
7221105 · Supervisor/Director	336,361	400,337	(63,976)
7221201 · Social Security	20,248	24,816	(4,568)
7221212 · Employer Medicare	4,735	4,306	429
7221299 · Other Fringe Benefits	0	1,492	(1,492)
7221432 · Library Books/Media	0	5,206	(5,206)
Total 72210 · Regular Instruction Prgrm - SS	361,344	436,157	(74,813)
72410 · Office of Principal			
7241104 · Principal(s)	135,862	132,500	3,362
7241139 · Assistant Principal(s)	36,108	39,581	(3,473)
7241201 · Social Security	10,471	10,668	(197)
7241212 · Employer Medicare	2,449	2,497	(48)
Total 72410 · Office of Principal	184,889	185,246	(357)
72510 · Fiscal Services			
7251105 · Supervisor/Director	257,878	323,706	(65,828)
7251161 · Secretary(s)	64,427	62,065	2,362
7251188 · Bonus Payments	7,500	0	7,500
7251201 · Social Security	16,450	25,038	(8,588)
7251207 · Medical Insurance	134,278	276,935	(142,657)
7251208 · Dental Insurance	1,858	0	1,858
7251210 · Unemployment Compensation	0	3,861	(3,861)
7251212 · Employer Medicare	4,517	5,599	(1,082)
7251299 · Other Fringe Benefits	8,471	10,419	(1,948)
7251307 · Communication	15,510	30,007	(14,497)
7251317 · Data Processing Services	8,277	17,088	(8,811)
7251320 · Dues & Memberships	103,137	136,408	(33,271)
7251330 · Operating Lease Payments	10,834	12,081	(1,247)
7251336 · Maint & Repair Serv - Equip	0	2,493	(2,493)
7251348 · Postal Charges	490	1,419	(929)
7251399 · Other Contracted Services	275,850	106,289	169,561
7251411 · Data Processing Supplies	0	2,081	(2,081)
7251524 · In-Service/Staff Development	47,563	35,202	12,361
7251599 · Other Charges	(1)	0	(1)
7251701 · Administration Equipment	15,518	12,912	2,606
Total 72510 · Fiscal Services	972,556	1,063,603	(91,047)
72610 · Operation of Plant			
7261328 · Janitorial Services	114,870	115,500	(630)
7261336 · Maint & Repair Services - Equip	88,527	50,000	38,527
7261399 · Other Contracted Services	38,454	41,669	(3,215)
7261415 · Electricity	114,348	121,662	(7,314)
7261502 · Building & Content Insurance	7,194	16,424	(9,230)
Total 72610 · Operation of Plant	363,393	345,255	18,138

Capstone Education Group, Inc.
YTD Revenue & Expenses Budget vs. Actual 19-20
July through November 2019

	Jul - Nov 19	Budget	\$ Over Budget
72620 · Maintenance of Plant			
7262426 · General Construction Materials	12,016	0	12,016
Total 72620 · Maintenance of Plant	12,016	0	12,016
72710 · Transportation			
7271314 · Contracts with Public Carriers	65,672	90,960	(25,288)
Total 72710 · Transportation	65,672	90,960	(25,288)
73400 · Early Childhood Education			
7340355 · Pre-K Field Trips	256	0	256
7340116 · Teachers	70,184	70,145	39
7340163 · Educational Assistants	35,307	38,905	(3,598)
7340201 · Social Security	6,162	7,370	(1,208)
7340212 · Employer Medicare	1,441	1,722	(281)
7340399 · Other Contract Services	0	9,785	(9,785)
7340429 · Instructional Supp & Mater	6,368	0	6,368
7340499 · Other Supplies & Materials	145	0	145
Total 73400 · Early Childhood Education	119,863	127,927	(8,064)
99002 · Administrative Fees	6,830	0	6,830
Total Expense	5,369,608	5,633,766	(264,158)
Net Ordinary Income	(131,471)	(62,977)	(68,494)
Other Income/Expense			
Other Income			
41001 · Interest Income	3,175	0	3,175
Total Other Income	3,175	0	3,175
Net Other Income	3,175	0	3,175
Net Income	(128,296)	(62,977)	(65,319)

Attachment V

Back in 2018, a student had her hand stepped on by another student in class. The parent filed a suit to recoup her insurance bills plus other expenses. The parent demanded \$12,500.

The insurance company decided to settle the claim for \$8500.