



**NC ACCESS Subgrant Program Application Recommendation**  
**The Exploris School**  
**May 6, 2019**

**Introduction**

In 2018, the North Carolina Department of Public Instruction (NCDPI) was awarded a Public Charter Schools Program (CSP) grant from the U.S. Department of Education (USDOE) of approximately \$26,600,000. The CSP grant will be used to implement the North Carolina Advancing Charter Collaboration and Excellence for Student Success (NC ACCESS) Program<sup>1</sup> to:

1. Increase the number of educationally disadvantaged students attending high-quality charter schools and expand the number of high-quality charter schools available to educationally disadvantaged students;
2. Develop a cohort of one hundred (100) charter school leaders who can develop and demonstrate best practices in serving educationally disadvantaged students; and
3. Broadly disseminate best practices in serving educationally disadvantaged students and foster collaboration in the charter school community and between charter schools and traditional public schools.

The NC ACCESS Program has allocated the majority of the CSP funds to advance Priority 1 listed above through school-level subgrants, though subgrant recipients must also demonstrate a desire to share best practices with both charter schools and traditional public schools. For each of the five (5) years of the federal CSP award, the NC ACCESS Program will run a competitive subgrant competition and award subgrants to North Carolina charter schools that propose a comprehensive plan to increase the number of educationally disadvantaged students attending high-quality charter schools and expand the number of high-quality charter schools available to educationally disadvantaged students.

This recommendation report includes the following information:

1. Procedural History: A review of the procedural steps taken by the applicant and NC ACCESS Program team to ensure a consistent application and evaluation process. (p. 3)
2. Conclusion and Recommendation: The NC ACCESS Program recommendation to approve or deny the subgrant application. (p. 3)
3. Summary of the Application: A brief description of the applicant's proposed plan to serve an increased number of educationally disadvantaged students attending high-quality charter schools and expand the number of high-quality charter schools available to educationally disadvantaged students. (p. 4)
4. Summary of the Evaluation: A summary of the evaluation of the subgrant application by the Review Committee, including section ratings and application strengths and areas of concern. (p. 5-6)
5. Exhibits: Additional documentation pertinent to the recommendation. (p.7)

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<sup>1</sup> <http://www.ncpublicschools.org/charterschools/ncaccess/>

## Overview of the Evaluation Process

The NC ACCESS Subgrant Program is a competitive application process designed to award funding for North Carolina charter schools that propose to serve an increased number of educationally disadvantaged students. Each subgrant application has been reviewed by a committee of NC ACCESS Program team members and trained external evaluators. Applications were evaluated using the approved NC ACCESS Program subgrant application scoring rubric.<sup>2</sup>

The subgrant application for The Exploris School was evaluated by a Review Committee consisting of the following individuals:

<b>Evaluator</b>	<b>Role</b>
Dr. Elaina Sabatine	External Evaluator
Dr. Les Stein	External Evaluator
Dr. Barbara O’Neal	Program Coordinator, NC ACCESS Program
Jay Whalen	Program Administrator, NC ACCESS Program

The recommendation made to the Charter School Advisory Board (CSAB) is based on the totality of evidence provided by the applicant and all evaluations by the Review Committee. The CSAB will take all recommendations, evaluations, application materials, and due diligence into account and make a recommendation for the approval of subgrants to the State Board of Education (State Board). The State Board will determine the final approval of all subgrant awards.

A subgrant application that merits a recommendation for approval should present a clear, realistic picture of how the charter school expects to successfully implement the proposed plans to increase the number of educationally disadvantaged students attending high-quality charter schools and expand the number of high-quality charter schools available to educationally disadvantaged students. In addition to meeting the criteria in each section, each part of the proposal should align with the overall mission, budget, and goals of the subgrant application and NC ACCESS Program.

Recommendations for approval or denial are based on the completed application which includes school information, signed assurances, enrollment projections, application narrative, budget, budget narrative, logic model, and appendices. The enrollment projections, application narrative, budget, budget narrative, and logic model are scored out of a possible one hundred (100) points. Applicants must score at least eighty (80) points to meet the standard and to be considered for a recommendation for approval. Applications that do not meet standard in all sections as evidenced by the summary review ratings will be deemed not ready for approval.

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<sup>2</sup> <http://www.ncpublicschools.org/docs/charterschools/ncaccess/scoring-rubric.pdf>

**Procedural History**

The following outlines the steps completed by The Exploris School (Applicant), the NC ACCESS Program team, and the Review Committee to ensure an objective, transparent, and comprehensive application evaluation process:

1. The Applicant submitted a Letter of Intent (LOI) to the NC ACCESS Program on February 13, 2019 indicating interest in applying to the NC ACCESS Subgrant Program.
2. The LOI was reviewed and the Applicant was designated as ‘Eligible’ to complete a full subgrant application. The Applicant was notified of their eligibility status via email on February 18, 2019.<sup>3</sup>
3. The CSAB was notified of the Applicant’s eligibility status via emailed report on February 25, 2019.
4. The Applicant submitted a full subgrant application in Epicenter on March 25, 2019.<sup>4</sup>
5. The NC ACCESS Program Review Committee evaluated the full subgrant application using the approved NC ACCESS Program subgrant application scoring rubric.<sup>5</sup>
6. A final recommendation was drafted based on the completed evaluations by Review Committee members.

**Conclusion and Recommendation**

The Exploris School submitted an application for an Expansion subgrant for expansion beginning in the 2019-2020 school year. The application and evaluation summaries for the subgrant application submitted by The Exploris School begin on page four (4) of this document. Based on the procedural history and the comprehensive evaluation of the Review Committee using the approved NC ACCESS Program subgrant application scoring rubric, the NC ACCESS Program team recommends The Exploris School be awarded a Planning and Implementation subgrant for the 2019 application cycle.

<b>Subgrant Application for The Exploris School:</b>	<b>RECOMMENDED FOR APPROVAL</b>
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Dave Machado, Director  
Office of Charter Schools

5/1/2019

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Date

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<sup>3</sup> See Exhibit A.  
<sup>4</sup> See Exhibit B.  
<sup>5</sup> See Exhibit C.

### Summary of the Application

School Name: The Exploris School

Location of School: Wake County

CMO/EMO: N/A

Projected Enrollment:<sup>6</sup>

Subgrant Year	Grade Levels Served	Total Student Enrollment	Total ED Student Enrollment	ED Enrollment Percentage
2019-2020	K-8	456	115	25%
2020-2021	K-8	456	123	27%
2021-2022	K-8	520	151	29%
2022-2023	K-8	680	211	31%
2023-2024	K-8	680	218	32%

The Exploris School submitted an application for an Expansion subgrant through the NC ACCESS Program for implementation in the 2019-2020 school year. The Exploris School has been in operation for twenty-two (22) years. The expansion of the program increases the educationally disadvantaged (ED) student population from twenty-two percent (22%) to thirty-two percent (32%). The Exploris School subgrant application requests six hundred thousand dollars (\$600,000) to support program expenditures in years one (1) to five (5) of implementation.<sup>7</sup> The school is not managed by a Charter Management Organization (CMO) or Education Management Organization (EMO).<sup>8</sup>

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<sup>6</sup> The Exploris School Subgrant Application, page 6.

<sup>7</sup> The Exploris School Subgrant Application, Budget.

<sup>8</sup> The Exploris School Subgrant Application, page 2.

### Summary of the Evaluation

In accordance with the NC ACCESS Program subgrant application scoring rubric, “in order to pass the review, applicants must (a) meet all criteria in sections (I), (II), and (VIII); and (b) score at least eighty (80) combined points between sections (III), (IV), (V), and (VI). Section (VII) will be used to determine priority if there are more eligible applications than subgrant awards.”<sup>9</sup> The review committee’s average rating for each section of the application are as follows:

General Standards	Status
Section I – Application Contact Information	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
Section II – Assurances	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
Section VIII – Certification	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
<b>Total (must meet <i>all</i> standards to pass)</b>	<input checked="" type="checkbox"/> <b>Pass</b> <input type="checkbox"/> <b>Fail</b>

Technical Standards	Points Possible	Points Earned
Section III – Enrollment Projections	10	8
Section IV – Application Narrative	60	50
Section V – Budget, Budget Narrative, and Logic Model	30	24
Section VI – Competitive Preference Standards	Up to 12	3
<b>Total (must receive at least <b>80 points</b> to pass)</b>	<b>100</b>	<b>85</b>

Priority Standards	Standards Possible	Standards Met
Section VII – Priority Consideration Status	4	N/A

Overall Application Status	Rating
In order to pass, the application must (a) achieve a rating of “Pass” for the General Standards and (b) score at least 80 points on the Technical Standards. The Priority Standards will be used to determine priority if there are more eligible applications than available awards.	<input type="checkbox"/> <b>Pass with Priority</b>
	<input checked="" type="checkbox"/> <b>Pass</b>
	<input type="checkbox"/> <b>Fail</b>

The review committee recommends that the subgrant application for The Exploris School be approved because the applicant submitted an application that details how the school plans to operate while growing to meet the needs of new and current educationally disadvantaged (ED) students in their school community. To become a more inclusive school the applicant has provided the following points of action: recruit more diverse staff that reflect the school and community population; increase Board of Directors, staff, and parental engagement in community events; and actively recruit students in ethnically diverse

<sup>9</sup> <http://www.ncpublicschools.org/docs/charterschools/ncaccess/scoring-rubric.pdf>

neighborhoods for enrollment. The school is currently located in a community surrounded by ethnically diverse neighborhoods that are within walking distance.

The applicant projected an increase in the number of ED students incrementally over the next five (5) years. The applicant currently serves a notable percentage of ED students and proposed seventeen (17) additional ED students in year one (1) of implementation; eighteen (18) in year two (2); twenty-one (21) in year three (3); sixty-one (61) in year four (4); and forty-eight (48) in year five (5). The school would increase from twenty-five percent (25%) to thirty-two percent (32%) ED students and the NC ACCESS Subgrant Program will facilitate school growth at a more rapid pace. The applicant has received approval from the North Carolina State Board of Education for a weighted lottery, however, no further details were provided.

The Exploris School plans to use currently established relationships with community partners to assist with the expansion process. The applicant will work with Communities in Schools of Wake County (CIS WAKE) to fund a part-time Success Coach position who will support a caseload of approximately thirty-five (35) students. Additionally, the Board of Directors has restricted some administrative roles and hired interventionists and school counselors to provide additional resources to all students. The Board has developed an Equity and Diversity Committee that provides resources specifically for ED students, including school nutrition, outreach services, recruitment efforts, and parent resources.

The applicant currently partners with external vendors to provide lunch to students. One of their vendors has provided a few free meals to qualifying students at no additional cost to the school. While the applicant currently has vendors who will donate school lunches, they recognize that this is not a sustainable school lunch program and have begun investigating other school lunch options. The applicant's current school lunch plan needs more certainty that all additional ED students will be provided nutritious lunches every day.

The applicant proposed several transportation options for students. The applicant is in the process of gathering quotes to purchase and operate one (1) to two (2) school vans. The applicant outlined using these vans for field trip travel but did not provide details on uses for transporting students to and from school daily. The applicant is also considering contracting with a third-party transportation provider to transport students. Other support and transportation options include helping students and families plan their route to school using public transportation, applying to the youth GoPass program, coordinating group rides on public transportation, designating bike zones around the new school facility, and sharing a carpool app with all parents.

Additionally, the applicant has met with Wake County Public Schools (WCPS) to discuss a partnership using a WCPS bus to transport students to school. The applicant plans to conduct a comprehensive transportation needs assessment in the 2022-2023 school year. With all the options listed, further refinement and clarification of the transportation plan, particularly for ED students, is necessary.

**Exhibit A: NC ACCESS Program Eligibility Notification**



# PUBLIC SCHOOLS OF NORTH CAROLINA

DEPARTMENT OF PUBLIC INSTRUCTION | Mark Johnson, *Superintendent of Public Instruction*

WWW.NCPUBLICSCHOOLS.ORG

February 18, 2019

VIA EMAIL

Ellie Schollmeyer, Executive Director  
The Exploris School  
401 Hillsborough Street  
Raleigh, NC 27603  
[ellie@exploris.org](mailto:ellie@exploris.org)

Dear Ms. Schollmeyer,

Thank you for your interest in the NC ACCESS Subgrant Program and for submitting a Letter of Intent (LOI). We are grateful for your commitment to the students of North Carolina. After a review of the LOI, eligibility criteria, and school performance data, The Exploris School has been designated as eligible to apply for an Expansion subgrant for implementation beginning in the 2019-2020 school year. The Charter Schools Advisory Board (CSAB) will be notified of the eligibility status of all applicants on Monday, February 25, 2019.

Due to The Exploris School's designation as eligible, The Exploris School may move forward and submit the full subgrant application. As a reminder, completed applications are **due in Epicenter by 5:00pm (EDT) on March 31, 2019.** The NC ACCESS team will ensure you have access to the application portal in Epicenter and will contact you if any additional information is needed.

Please reach out to the NC ACCESS team at [NCACCESS@dpi.nc.gov](mailto:NCACCESS@dpi.nc.gov) or (919) 807-3491 if you have any additional questions and visit the NC ACCESS page of our [website](#) for application and guidance materials and training information.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Machado".

Dave Machado, Director  
Office of Charter Schools

DM/JW

**OFFICE OF CHARTER SCHOOLS**

6307 Mail Service Center, Raleigh, North Carolina 27699-6307 | (919) 807-3491 | Fax (919) 807-3496

**Exhibit B: NC ACCESS Program Subgrant Application**



# **The Exploris™ School**

*Empowering Learners to Change the World*

## **NC ACCESS EXPANSION SUBGRANT APPLICATION**

**Submitted by: Ellie Schollmeyer**

**Executive Director**

**Date Submitted: March 25, 2019**

## **Exploris NC ACCESS Grant Writing and Review Team**

**Michelle Duncan - School Counselor**

**Katie Johnson - Board Member**

**Frank McKay - Parent**

**Koren Morgan - Business Office Manager**

**Amanda Northrup - Associate Director**

**Michelle Parkerson - Associate Director**

**Ellie Schollmeyer - Executive Director**

**Charles and Sarah Yelton - Parents**

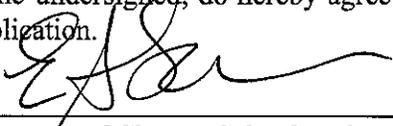
**GENERAL STANDARDS**

**I. APPLICATION CONTACT INFORMATION**

<b>Charter School Information</b>			
Name of charter school (Approved/Existing): <b>The Exploris School</b>			
Mailing address (Street, City, State, Zip): <b>401 Hillsborough Street, Raleigh, NC 27603</b>			
Name of non-profit organization under which charter is/will be organized or operated: <b>The Exploris School</b>			
Name of contact person: <b>Ellie Schollmeyer</b>		Title/Relationship to approved/existing school: <b>Executive Director</b>	
Primary telephone: <b>919-715-3690</b>		Alternative telephone: <b>919-715-0333</b>	
E-Mail address: <b>ellie@exploris.org</b>		Website (if applicable): <b>www.exploris.org</b>	
Name of county and local education agency (LEA) in which charter school is/will reside: County: <b>Wake</b> LEA: <b>92B – The Exploris School</b>			
Is or will the charter school be operated by an Education Management Organization (EMO) or Charter Management Organization (CMO): Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
If so, please provide the name and list of all schools managed by the organization.			
<b>Please indicate the subgrant category for which you are applying:</b>			
Planning and Implementation <input type="checkbox"/>	Implementation Only <input type="checkbox"/>	Expansion <input checked="" type="checkbox"/>	Replication <input type="checkbox"/>

## II. ASSURANCES

I, the undersigned, do hereby agree to comply with all assurances stated on pages 15-16 of this application.



3/25/19

*Signature of Charter School Authorized Representative*

*Date*

### Assurances

The charter school agrees to comply with all of the following provisions:

1. Recipients will (i) annually provide the North Carolina Department of Public Instruction such information as may be required to determine if the charter school is making satisfactory progress toward achieving the stated objectives and (ii) cooperate with the U.S. Department of Education and the North Carolina Department of Public Instruction in evaluating the entirety of the NC ACCESS program.
2. Recipients will, for the life of the subgrant, participate in all data reporting and evaluation activities as requested by the U.S. Department of Education and the North Carolina Department of Public Instruction; this includes participation in any federal or state funded charter school evaluations or studies, final grant report documentation, and financial statements.
3. Recipients will comply with federal laws including, but not limited to, the Age Discrimination Act of 1975, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and sections 613(a)(5) and 613(e)(1)(B) of the Individuals with Disabilities Education Act.
4. Recipients will comply with all provisions of the Non-Regulatory Guidance—Public Charter Schools Program of the U.S. Department of Education, which includes the use of a lottery for enrollment if the charter school is oversubscribed.
5. Recipients operate (or will operate if not yet open) a charter school in compliance with all state and federal laws and that the charter school does not discriminate based on race, gender, national origin, color, disability, or age.
6. Recipients shall ensure that a student's records, and, if applicable, a student's individualized education program as defined in section 602(11) of the Individuals with Disabilities Act, will follow the student, in accordance with applicable law (P.L. 107-110, section 5208).
7. Recipients will comply with all provisions of ESSA, including but not limited to, provisions on school prayer, the Boy Scouts of America Equal Access Act, the Armed Forces Recruiter Access to Students and Student Recruiting Information, the Unsafe School Choice Option, the Family Educational Rights and Privacy Act (FERPA), and assessments [P.L. 107-110].

8. Internal Controls must ensure compliance with federal statutes, regulations, and terms of the award. Recipients will evaluate and monitor compliance, take prompt action when instances of noncompliance are identified, and safeguard protected personally identifiable information (PII).
9. Recipients possess the legal authority to apply for this grant; a resolution or motion has been adopted by the charter school's governing body that authorizes the submission of this application, including all understanding and assurances contained herein, directing and authorizing the "charter school contact person/administrator" to act in connection with the application and to provide such additional information as required.
10. Recipients will ensure that the awarded grant funds will be spent or encumbered in accordance with the guidance outlined in the *Allowable Use of Funds* section of this application.
11. Recipients shall maintain accounting records and other evidence pertaining to costs incurred, with the provision that the records shall be kept available by the grantee during the grant period and thereafter for five full years from the date of final payment. The North Carolina Department of Public Instruction must be permitted to audit, review, and inspect the grantee's activities, books, documents, papers and other records relating to the expenditures of grant proceeds. The recipient further agrees to comply with all federal and state audit requirements and ensures that arrangements have been made to finance those mandatory audits.
12. Recipients are required to keep and maintain all equipment purchased with grant funds in accordance with federal law and regulations.
13. Recipients will ensure equitable program participation, as required under section 427 of the *General Education Provision Act*.
14. Recipients will comply with the lower-tier certification covering lobbying and debarment/suspension in 34 CFR Parts 82 and 85.
15. Recipients understand that if any findings of misuse of grant funds are discovered, project funds must be returned to the North Carolina Department of Public Instruction and that the North Carolina Department of Public Instruction may terminate a grant award upon 30 days' notice if it deems that the recipient is not fulfilling the funded program as specified in the approved grant application.
16. Recipients shall attend all mandatory meetings/trainings required by the North Carolina Department of Public Instruction.
17. Recipients agree that the lead administrator and a board member of the charter school will participate fully in all required activities of the NC ACCESS Fellowship program.

18. Recipients agree to onsite monitoring by the North Carolina Department of Public Instruction as necessary to ensure that the subgrant is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subgrant; and that subgrant performance goals are achieved.
19. Recipients agree to use financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, that are sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.
20. The applicant understands that, as articulated in the charter agreement, the renewal or revocation of the charter is based on the academic, operational, and financial performance of the school as outlined and reported through the NC Charter School Performance Framework.
21. The applicant understands that, as stated in the charter agreement, it has autonomy and flexibility in the planning, development, and implementation of the education program, including over budgetary and financial decisions.

### III. ENROLLMENT PROJECTIONS

Provide all current and projected enrollment estimates for the duration of the subgrant. This application section is worth up to ten (10) points.

#### Grade Levels and Student Enrollment

<b>Subgrant Year</b>	<b>Current Grade Levels Served</b>	<b>Projected Grade Levels Served</b>	<b>Current Student Enrollment</b>	<b>Projected Student Enrollment</b>
2019-2020	K-8	K-8	447	456
2020-2021	K-8	K-8	456	456
2021-2022	K-8	K-8	520	520
2022-2023	K-8	K-8	600	680
2023-2024	K-8	K-8	680	680

**Educationally Disadvantaged Students (Including those who are economically disadvantaged, homeless or unaccompanied youth, English learners, and students with disabilities)**

<b>Subgrant Year</b>	<b>Current ED Student Population</b>		<b>Projected ED Student Population</b>	
	<b>Number of Students</b>	<b>Percent of Total Enrollment</b>	<b>Number of Students</b>	<b>Percent of Total Enrollment</b>
2019-2020	98	22%	115	25%
2020-2021	105	23%	123	27%
2021-2022	130	25%	151	29%
2022-2023	150	25%	211	31%
2023-2024	170	25%	218	32%

**COMPETITIVE PREFERENCE STANDARDS -**

The NC ACCESS expansion subgrant will allow The Exploris School to increase our racial and ethnic diversity as we expand. Our recruitment strategies are targeted at racially and ethnically diverse neighborhoods within walking distance of our schools so that we can shift the composition of our student membership. The Executive Director of Communities in School Wake has shared that there are 287 students between the age of 4-12 in the 5 communities that they serve. Approximately 80-85% of the students in those CIS Wake communities are from minority backgrounds and 100% are from low socioeconomic backgrounds due to their residence. As noted in our response to questions 8 and 12, we have also intentionally recruited a more diverse staff so that our teachers better reflect our student population and the community.

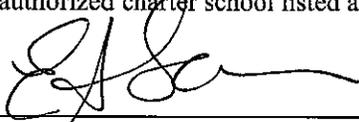
Our ultimate goal is to reflect the diverse demographics of Wake County. Recent population shifts, as shown in the change in population presentation shared by the Division of School Business at NCDPI, highlight an increase in the percent of Asian and Hispanic student membership from 2011 to 2019 and a reduction in the white and black population. This presentation is included in (Appendix D). This grant will allow us to change our current demographic profile and achieve a more racially and ethnically diverse student population. Our projected enrollment will more closely match Wake County Public Schools in 2024 as shown in the chart below. We will continue to focus our commitment to racial and ethnic diversity until we align with our local LEA.

	<b>Wake County Public Schools</b>	<b>The Exploris School</b>	<b>The Exploris School Projection 2024</b>
Black	22.7%	10%	17%
Hispanic	18%	7%	14%
Asian	9.2%	2%	5%
Multi-racial	3.8%	5%	9%
Non-Hispanic White	45.8%	75%	55%
Other	.3%	1%	.3%
Free and Reduced Lunch	32.2%	10.8%	25%

**PRIORITY CONSIDERATION STATUS - Not Applicable**

**CERTIFICATION**

I certify that I have the authority to submit this application on behalf of the authorized charter school listed above. All information contained herein is complete and accurate. I realize that any misrepresentation will result in disqualification from the application process or termination after an award. I understand that incomplete applications will not be considered. The person named as the contact person for the application is so authorized to serve as the primary contact for this application on behalf of the authorized charter school listed above.



\_\_\_\_\_  
*Signature of Charter School Authorized Representative*

3/25/19

*Date*

## **IV. APPLICATION NARRATIVE**

### **Question 1 - Enrollment Projections**

The NC ACCESS Expansion Subgrant will allow The Exploris School to substantially increase the percent of educationally disadvantaged students (EDS) that we serve from 22% to 32% of total enrollment. The Exploris School has been serving students in the downtown Raleigh community for over 20 years and is committed to growing our school in size and diversity to expand support and opportunity for EDS. The 2013 - 2018 Strategic Plan and the proposed 2019 - 2024 Strategic Plan demonstrate our commitment to diversity and expansion. Our mission confirms that “Exploris is a diverse learning community that engages students in a challenging, relevant, relationship-based education. We do this through experiential, project-based learning (PBL) that empowers students to foster a just and sustainable world.” These strategic planning documents are shared in (Appendix F, 5-15) for additional details.

The Exploris Board, staff, students, and families have a desire and commitment to improve equity and diversity by serving EDS so that our school reflects the demographics of Wake County. Through these efforts, the school has received approval from the State Board of Education for a weighted lottery giving priority for economically disadvantaged students. We have implemented a weighted lottery which has gone into effect for the 2019-2020 school year. Funding from this grant will allow us to further increase priority access for economically disadvantaged students over the five-year plan.

In alignment with The Exploris School’s strategic plan and mission, we will increase our enrollment of EDS through three primary strategies: recruitment, removing barriers, and providing needed supports, which are described in further detail throughout our grant. In addition to our weighted lottery, we will expand our recruitment initiatives with our primary outreach partner, Communities in Schools of Wake County (CIS Wake). Our Board, staff, and parents will engage in community events and partner with local community organizations to invite educationally disadvantaged students and their families to apply for enrollment in our school community so that we reach our projections.

Based on historical trends and our anticipated growth from expansion in total enrollment and targeted EDS expansion strategies, our projections are both ambitious and realistic. We have analyzed our current school data to breakdown the number of students in each educationally disadvantaged category; Exceptional Children, English Language Learners, homeless children, economically disadvantaged, and those identified in multiple categories. The current percentages were calculated by grade and used to estimate our growth in each category to project our enrollment with the expansion grant. Additionally, we will increase our total enrollment from our current student population of 447 to 680 over the five year plan by moving into a new school facility that will accommodate all K-8 students on one campus. This facility expansion will allow further growth in our educationally disadvantaged population.

### **Question 2 - Educational Program**

The Exploris School’s educational program is tailored to meet the needs of educationally disadvantaged students. Exploris’s educational program is built around four core pillars: Global Education, Project Based Learning, Co-Teaching, and Responsive Classroom. Each of these practices in isolation is a powerful tool for supporting the needs of educationally disadvantaged students, and at The Exploris School these approaches are used concurrently, creating an

exceptionally strong program. As our population of educationally disadvantaged students grows we are working to embrace Culturally Relevant teaching (Goal 5) .

In Global Education students investigate the world, recognize perspectives, communicate ideas, and take action. At Exploris, students engage in Global Education on a daily basis through thematic projects that emphasize awareness of global issues, higher order thinking, and community action. These skills are especially beneficial for students living in poverty. Higher order thinking promotes the most academic growth for students living in poverty (Taylor, 2003). Global Education promotes the development of higher order thinking, collaboration, and communication skills - all of which are critical to the growth of educationally disadvantaged students.

Project-based learning is another of our core educational pillars. Every student in grades K-8 participates in at least three long-term interdisciplinary and experiential projects per year that are focused on global and local issues. Students work collaboratively to explore connected topics, and then transfer that learning to the outside world. In Greene's (2019) study of the best instructional practices for culturally diverse classrooms, collaboration was identified as the most important teaching tool. Furthermore, research has found evidence that PBL can have a positive impact on achievement compared to conventional instruction in high-poverty schools (Duke, et al. 2019).

In addition to collaboration and higher order thinking, The Exploris School's educational program uses Co-Teaching at all grade levels. Co-Teaching has long been identified as an effective instructional practice for children with special needs. Co-Teaching has been shown to increase grades, attendance, and student confidence (Friend, 2010). Depending on the needs of the students in particular classes, some subjects may have as many as four teachers present to support learning. As we expand the number of educationally disadvantaged students at The Exploris School, we will continue to embrace the benefits of Co-Teaching.

The fourth pillar of Exploris's educational program is Responsive Classroom. This approach to classroom management is grounded in the value of relationships and positive climate. Responsive Classroom practices at Exploris include modeling of routines, logical consequences, social-emotional learning, outdoor play/learning, and conflict resolution. Our students frequently participate in outdoor learning, which has been shown to positively impact teacher attitudes, student behavior, and engagement in learning (Scott and Colquhoun, 2013). As outlined in Duncan's (2004) examination of best practices for behavior management with children living in poverty, we emphasize coaching, replacement behaviors, and intervention strategies.

As we expand our population of educationally disadvantaged students, we will add a fifth pillar to our educational program - Culturally Relevant Teaching (Santamaria 2009). This instructional practice where students and teachers develop cultural competence. This practice aligns well with our current Responsive Classroom work, which includes recognition that our beliefs about students inform our work with them. We recognize that Culturally Relevant Teaching is an area where we need to work diligently to expand our understanding and practice. Please see our Professional Development narrative for more information about how we plan to grow in this area.

Children who are educationally disadvantaged often lack social capital. Duncan's (2004) recommended first step is getting to know the child. Exploris's emphasis on relationships is at the core of everything we do. Furthermore, our pillars of global education, project-based

learning, co-teaching, responsive classroom, and culturally relevant teaching target the specific needs of these students.

### **Question 3 - Smart Goals**

1. Increase the percent of educationally disadvantaged students from 22% to 32% by June 2024; and share effective practices for creating an inclusive community with other educators.
2. Remove the most common barriers that make charter schools inaccessible to disadvantaged families by creating plans for sustainable student support including those for food, transportation, and communication by June 2021.
3. Strengthen our student support network by developing and engaging with families and community-based partners as measured by year-over-year growth in participation and number of partnerships.
4. Create a safe and joyful learning environment that is developmentally responsive to student's strengths and needs as measured by annual school climate surveys.
5. Build teacher capacity through ongoing robust professional development and culturally responsive programming in order to increase student achievement as measured by meeting or exceeding Expected Growth in all subgroups.

### **Question 4 - Comparison to Local LEA**

Exploris is located in Wake County which is home to the largest public school district in North Carolina. The LEA is known for its award-winning magnet programs with 187 schools intentionally designed to reduce high concentrations of poverty and promote diverse school populations. In order to support the academic and behavioral plans within these diverse schools, Wake County Public School System (WCPSS) has a designated Office of Equity Affairs. Exploris looks to WCPSS for best practices. Like WCPSS we are transforming our educational plan through cultural proficiency training, Multi-tiered System of Supports, and the addition of an Equity and Diversity Committee (see Appendix F, 16-17). We have implemented a weighted lottery to help our student population more closely mirror the demographics of Wake County. Exploris takes its responsibility as a charter school seriously by regularly opening our doors and creating opportunities to collaborate with other educators in WCPSS and beyond. We are mindful of how our enrollment and recruitment practices impact other schools and strive to work in harmony with our LEA to positively impact the public education ecosystem.

Exploris shares important characteristics, objectives, and values with the WCPSS and its approach to elementary and middle school education. WCPSS has identified the 4 C's (Communication, Critical Thinking, Collaboration, and Creativity) as well as Global Awareness, Open Mindedness, and Resiliency as part of their Profile of a Graduate. Exploris's core values of Collaboration, Curiosity, Social Empowerment, and Innovation are closely aligned with WCPSS, and will prepare Exploris graduates for success in WCPSS high schools, middle schools, and elementary schools upon graduation or transfer. Many of the individual schools within the WCPSS boast programming and themes similar to what can be found at Exploris. However, no single school embraces Exploris's Core Pillars of: Global Education, Project Based Learning (PBL), Co-Teaching, and Responsive Classroom (see Question 2).

While both school systems follow the North Carolina Standard Course of Study, Exploris teachers design curriculum that is transdisciplinary and anchored in best practices from Global

Education and Project Based Learning. In the transdisciplinary approach there is a real-life context with student needs acting as the organizing center. All disciplines are embedded in the topic of study, but can also be isolated if so desired (Drake, 2000). Exploris students across grades K-8 regularly engage in high quality field experiences which allow them to investigate and discover how standards are applied to real world situations. Burns (1994) reports that Interdisciplinary Teamed Instruction had positive effects on student performance, particularly for lower-achieving students. Burns also demonstrated that Interdisciplinary Teamed Instruction resulted in an overall upward trend in standardized test scores.

WCPSS employs a variety of teaching models to implement curricula designed at the district level. The Co-Teaching Model used consistently at Exploris empowers teachers to plan and implement curricula that is responsive to student needs. This approach gives teachers ownership and interdependence which bolsters Collective Teacher Efficacy (CTE). In Hattie's study (2015) on effect sizes CTE has been found to be strongly, and positively correlated with student achievement with an effect size of  $d=1.57$ . Together teachers can achieve more, especially if they collectively believe that they can do so. Bandura (1993) found that the positive effects of CTE on student academic performance more than outweigh the negative effects of low socioeconomic status. His findings were later confirmed by Goddard, Hoy, and Hoy (2000). In their studies, they could demonstrate that between-school differences of collective teacher efficacy were more important in explaining student achievement than socioeconomic status.

Most schools in WCPSS have some type of program or curriculum to address discipline and social emotional learning such as PBIS, point systems, and Class Dojo to track student behavior. Exploris employs a whole child approach that reflects the belief that academic and social-emotional learning are inextricably linked. We practice proactive, problem-solving approaches. While we use principles of Responsive Classroom to guide our thinking around social-emotional needs, we do not believe that adhering rigidly to one approach yields the best outcomes for all students. Being a small school allows our teachers flexibility to customize approaches based on student needs.

While Exploris's educational plan shares many positive characteristics with the local LEA, our unique approach makes our school highly sought after. With monies from this grant we will implement strategies to attract, retain, and serve a more diverse population. We will offer additional supports, resources, training, and job-embedded coaching aimed at ensuring each part of our educational plan supports equity, diversity and cultural competency. Our 4th and 5th grade students stated it best in a board presentation they gave in 2018, "We love our school and feel that the experiences students have at Exploris need to reach all people in our community" (see Appendix F, 18-24).

### **Question 5 - GEPA**

The Exploris School is committed to serving educationally disadvantaged students and will overcome all actual or perceived barriers that could impede application or attendance at The Exploris School. We will continue to expand our policies, procedures, and practices to ensure that all students have access to all instructional programs and activities. We will continue to develop and execute a comprehensive plan that further removes the six types of barriers that can impede equitable access or participation: gender, race, national origin, color, disability, or age.

Specifically, The Exploris School will implement recruitment strategies that target economically disadvantaged families in the communities where they live with staff that are

fluent in their native language. All recruitment materials will be translated in English and Spanish. Care will also be taken to ensure that all our marketing and recruitment strategies and materials are culturally responsive.

The application process will be simplified to ensure easy access for all families and allow for paper application, online application, and staff assisted applications over the phone or in person at school. The application will also be translated in Spanish and other languages as needed.

All Exploris staff will assist in ensuring that appropriate accommodations are made to ensure access for persons with disabilities. Accessibility, communication, and our educational program will be adjusted to meet the needs of students and families who may have visual, auditory, physical, or mental impairments and ensure accommodations are in place as needed. Consideration and care will be taken to ensure all needs are met regardless of gender or sexual orientation. This includes cisgender, transgender, genderqueer, and non-binary students. The Exploris School will be a welcoming place for people of all genders, orientations, and religions.

The Exploris School will provide a inviting environment for families of all races, origins, and ages and invite them to participate as equal partners in the education of their children. We will improve our communications by promoting programs and events via flyers, our school website, social media posts, and through community partnerships. We will increase accessibility by making arrangements for events and programs throughout the Raleigh community and offer them at varying times of day and days of the week with childcare, children's programming, food, and translators to ensure family participation.

### **Question 6 - Strategies**

The Exploris School currently uses a number of strategies to serve our educationally disadvantaged students. As we expand this population, however, we will need to make adjustments and additions to meet the needs of these students. Currently, our educationally disadvantaged students benefit from core instructional practices including: small-group collaboration; project-based learning; daily recess; and conflict resolution (see Question 2). Each of these practices has been shown to have a positive impact on achievement, social-emotional growth, and engagement in learning.

In alignment with our pillar of Global Education, we foster active relationships with partner schools and organizations. These partnerships holistically support educationally disadvantaged students. Our students participate in learning experiences with our sister schools in Japan and Germany. We also work closely with Communities in Schools to support families and students with food insecurity or social-emotional needs. Furthermore, our partnership with The Fletcher Academy allows our elementary students access to additional in-school reading intervention.

We recognize that traditional grading practices often negatively impact student engagement and achievement (Vatterott, 2015). Therefore, we use a standards-based, mastery learning approach for assessment that emphasizes growth. Finally, our philosophy and approach to working with students with learning disabilities and English language learners is grounded in principles of inclusion.

As we expand the percentage of students we serve who are educationally disadvantaged, we recognize that Exploris will need to grow in key areas. With funding from this grant, we will formalize several pieces of our curriculum including social-emotional learning programming,

exceptional children programming, and curricular support for intervention and English language learners. We also recognize the need to support core instruction. This includes developing culturally responsive classroom libraries, constructing a Nature Playground for our elementary campus, and providing robust professional development (see Question 10). Through our partnership with NC TEACCH, an organization specializing in supporting students with autism, we will work to design classroom spaces that meet the needs of all learners. This grant will fund needed furniture and other classroom design elements that will better support the needs of students with learning, developmental, and/or intellectual disabilities. We will also use these grant monies to expand access to Exploris for students who cannot provide their own transportation. This includes the development and implementation of a transportation plan, the use of carpool software, bus and van service partners, and the purchase of vans (see Question 13). Funds from this grant will also support the need for our school to address digital equity (Reich, 2019). We will fund student and classroom devices, as well as train teachers on best practices for meaningful technology integration.

Critical to expanding our percentage of educationally disadvantaged students will be implementing new Readiness Camps and tutoring programs. Free Readiness Camps will be offered for rising kindergarten and 6th grade students. The summer camps will help students and families transition to the start of school. Readiness is key at these grade levels because they represent significant transitions, especially for students who are new to Exploris. Readiness Camps will support both social-emotional and academic school-readiness. We will also use this grant funding to begin a new school tutoring program. This program will allow students to participate in remediation, enrichment, and support outside school hours such as during intersessions and after the school day. Funding from this grant will allow us to pay tutors from both within our school staff and those from partner organizations.

Finally, as we expand our educational program to include the pillar of Culturally Relevant teaching (see Question 2), we plan to contract with experts to support us in the development and implementation of curriculum and instructional strategies. These consultants will support our staff throughout the life of the grant. They will provide on-going, in-time professional development, instructional support, and consultation. They will specialize in supporting the needs of our staff as we learn about and embrace Culturally Relevant teaching.

### **Question 7 - Community Partnerships**

The Exploris School has a long history of partnerships within the downtown Raleigh community. In this year alone, we have worked with organizations such as Go Raleigh, the North Carolina Museum of Natural Sciences, The City of Raleigh Museum, the Contemporary Art Museum, Outward Bound, and Caterpillar among others. The Exploris School also holds many partnerships throughout the state and partners with sisters schools in Japan and Germany. These organizations continue to be available to the school and all students.

Currently, the Exploris School has several community partners that specifically address needs for our educationally disadvantaged students. One such partnership is with Communities in Schools of Wake County (CIS WAKE). CIS WAKE is designed to support low-income students in downtown Raleigh Housing Authority neighborhoods. Through the North Carolina School Safety-Community Partners grant The Exploris School and CIS WAKE were able to fund a  $\frac{3}{4}$  position Success Coach for all grades. The Success Coach holds a caseload of about 35

students who have been identified as having barriers to learning. Most of these students are considered educationally disadvantaged.

Service learning is at the heart of who we are as a school and every grade level participates in service to our school and our community. Our ongoing partnership with the Interfaith Food Shuttle allows students to volunteer to help in the local gardens, sort produce, and assist with packing food. Through the Cooking Matters course, Interfaith Food Shuttle has taught courses targeted for our educationally disadvantaged population at both campuses.

In addition, we have community partners who assist with providing instruction, intervention, and support for students. The Exploris School partners with The Fletcher Academy to ensure our early elementary students have access to early reading interventions. This focus helps address the word and achievement gap faced by many educationally disadvantaged students. We also partner with NC TEACCH to provide robust professional development and classroom environment advice for staff to best meet the needs of students who have autism spectrum disorder.

Our future plans include continuing to partner with Interfaith Food Shuttle and Community Food Lab to develop a sustainable lunch program that could offer healthy, affordable options to all students, provide a free/reduced lunch program, and expand to add a school garden as a food source for our school lunch program. We will continue to work with CIS WAKE to provide professional development and tutoring program opportunities focused on serving educationally disadvantaged students. With funding from this grant, we plan to host learning center evening events for the school community and families that live in the Raleigh Housing Authority neighborhoods. We also plan to expand partnerships with Go Raleigh in order to better address the transportation needs of our increasing population of EDS. In addition, funding from this grant will allow us to partner with Peaceful Schools NC and the Community Food Lab to address social-emotional learning and food access respectively. Finally, we hope to use monies from this grant to share successful strategies with other educators (see Smart Goal 1) and become a model for other charter and traditional public schools. We will demonstrate how innovative instructional strategies implemented through a relationship-based education can foster academic, social, and emotional success for EDS. Using grant funding, Exploris will lead and facilitate professional development for teachers throughout North Carolina to expand our impact and support for EDS and their families.

### **Question 8 - School Board**

The Exploris School Board of Directors demonstrates ongoing commitment to expanding the enrollment of educationally disadvantaged students and supporting their development. In 2017, the Board established an Equity and Diversity subcommittee charged with making recommendations to revise school lottery policy to include priority for economically disadvantaged students and with developing strategies to expand the recruitment of a more racially, ethnically, and socioeconomically diverse student population. In 2018, the Board established the new lottery policy with the goal of increasing the enrollment of economically disadvantaged students from 8% in 2017 to 25% in 2023.

The Board has committed to the development of educationally disadvantaged students by approving expanded support structures within the school to better address the needs of these and all students. This work has included restructuring of the school administration to include middle and elementary school associate directors in addition to the executive director, expanding student

support teams, and the hiring of an interventionist and school counselor in recent years. Through the Equity and Diversity Committee, the board has supported efforts to educate parents, seek a sustainable model for providing food, and expand outreach to families of educationally disadvantaged students. These efforts include parent education nights, raising awareness about recruitment efforts, a family book study, and inviting input on these efforts via a survey which drew responses from 114 families. Related materials are available in (Appendix F, 25-28).

The Board has supported the hiring of two teachers and one staff member of color for 7 open positions in the past two years. the Board has also worked to diversify its own membership in that time period adding two Board members of color. Research indicates that having teachers of color has positive effects on students of color (Carver-Thomas, 2018). These benefits include improved academic outcomes, lower drop-out and suspension rates, and more interest in going to college.

The Board's most recent strategic plan includes goals of expanding enrollment to better reflect the demographics of the surrounding community and strengthening programming to ensure a free and appropriate education for ALL students. The Board is currently engaged in developing its 2019-2024 strategic plan and is committed to including further development of supports for educationally disadvantaged students in that plan to continue the school's work in this area.

Going forward, the Board will continue to inform and support expansion of recruitment and marketing efforts through the work of the Equity and Diversity Committee and school administration. The Board is committed to developing additional fundraising efforts to establish and sustain long-term supports for educationally disadvantaged students. The Board's work to date has been informed by review of research and through dialogue with and fact-finding visits to other charter schools that have a similar commitment to supporting educationally disadvantaged students. Efforts to learn with and from other schools will continue as the school further develops this work.

### **Question 9 - Calendar**

The Exploris School calendar is intentionally designed each year based on the school's values and priorities. A committee that includes administrators, elementary and middle school teachers, support staff, and parents gather and review input from the community in order to create a calendar proposal for board approval. For the past two years students have brought calendar suggestions to the committee for consideration. Most recently the calendar committee honored student proposals for the calendar to include more diversity in recognizing religious holidays. (see Appendix F, 29-30). This inclusivity will be important as we serve a wider range of educationally disadvantaged students.

Our calendar for 2019-2020 includes 174 student days with 10 days built in for inclement weather (see Appendix F, 31). The length of our elementary school day allows for 1,087.5 hours of instruction. The middle school day allows for 1,113.6 hours of instruction. Both exceed the minimum 1,025 hours required by NC calendar law. Eighteen teacher work days are indicated with designated time for new staff orientation, professional development days, Achievement Report writing, and parent/student conferences. When selecting dates for teacher workdays, the calendar committee carefully considered the impact on families, particularly those with students that are educationally disadvantaged. The team looked at alignment to calendars followed by WCPSS as well as available childcare options. A parent representative from the calendar

committee is working with local organizations to identify high quality, affordable childcare options on days when school is not in session.

The calendar committee is in the early stages of exploring changes that could increase opportunities for continuous learning for staff and students. One possibility includes moving towards a modified calendar with a shorter summer and more regular breaks throughout the year. We have examined how schools in our area use “track-out” time to support the development of economically disadvantaged students. Like other schools with a modified or year-round calendar, we envision using intersessions to provide an option for extra tutoring outside regular school hours. Funding from this grant will allow students to participate in remediation, enrichment, and support. The tutoring program will operate in conjunction with our classroom teachers and community partners (see Question 6). A calendar in which time off is more equally distributed allows teachers to refresh and focus on professional development (see Question 10). Furthermore, modified calendars are associated with higher achievement for economically disadvantaged students (Cooper, Valentine, Charlton, & Melson, 2003).

### **Question 10 - Professional Development**

The Exploris School has already begun the work of using professional development to support the needs of educationally disadvantaged students. In 2017-2018, all staff participated in Cultural Conversations as part of the exhibit on Race at the NC Museum of Natural Science. This facilitated listening session began the work of being more culturally responsive as teachers and staff faced their own racial biases and shared their experiences with one another. This culturally responsive work continued in the 2018-2019 school year when all teachers, administrators, and professional support staff participated in Social Justice Teaching 101, provided by Teaching Tolerance. This experience has given our staff tools and a framework for considering how we meet the needs of diverse learners. Additionally, we have begun offering training, through a partnership with TEACCH, on strategies to support our growing numbers of students on the autism spectrum. As we expand our EDS population, we recognize that our professional development plan must be carefully designed to ensure that The Exploris School is a safe, positive, and successful environment for all teachers and students.

Throughout the grant period, our staff will be engaged in ongoing professional development through various avenues. We will center our work on building a Multi-Tiered System of Supports for students, which will allow us to address the whole child at every level. We plan to use this grant funding to facilitate professional development experiences in the following areas: Racial Equity, Social-Emotional Learning (SEL), Integrating Technology, Exceptional Children’s programming (EC and ELL), and Intervention Supports. We will choose a primary focus for each of the five years of the grant and build our professional development plan around that year’s focus.

We recognize that the traditional sit-and-get model of professional development is not the most effective way to support adult learners (Rodman, 2018). Therefore, we plan to employ a professional development model that is sustained, teacher-centered, personalized, and job-embedded. This approach will better align with new federal criteria for quality professional learning (Combs, 2016).

Professional development opportunities will include a range of options to best meet the needs of adult learners. Teachers will have opportunities to facilitate and/or participate in collaborative book studies, cohort-model focused study groups, digital learning, and workshops

presented by experts, peers, and partner organizations. Sustained, job-embedded learning will also be provided by contract services. For example, in the first year we plan to contract with Peaceful Schools NC to provide ongoing professional development in the form of teacher-coaching, workshops, program development, and consultation with a focus on Social-Emotional Learning and positive school climate. In addition to Peaceful Schools NC, the Racial Equity Institute, and TEACCH will provide intensive professional learning for faculty and staff throughout the grant period. We will also contract with an expert consultant to provide instructional strategy support and develop training, especially in the area of Culturally Relevant teaching. Grant funds will allow us to purchase specific curricular programs for SEL, EC, ELL and intervention; we will seek out training that is specific to those programs.

### **Question 11 - Discipline and Climate**

Exploris's vision is to empower learners to change the world. This is carried out through the school's ten core values: Balance, Collaboration, Connections to Nature, Curiosity, Craftsmanship, Engagement, Innovation, Reflection, Relationships, and Social Empowerment. These values form the fabric of the entire school community and permeate everything we do.

With this in mind, The Exploris School's philosophy on student behavior supports the development of educationally disadvantaged students. Our Responsive Classroom approach focuses on the strong relationship between academic success and social-emotional learning. Part of the school's culture involves using a schoolwide system of support that includes proactive strategies for defining, teaching, and supporting appropriate student behaviors to create a positive school environment. This includes the absence of any zero-tolerance policies, allowing the school to consider all circumstances and environmental factors when assessing a discipline matter and assigning consequences. Exploris is aware of broader research around the impact school discipline can have on student outcomes and links to future incarceration. We are mindful of supporting the whole child and recognizing that behavior is learned and communicates a need. The students, families, and staff work collaboratively to address behavior from a growth-mindset perspective that includes reflection, coaching, and support. The school creates opportunities for students to practice and succeed in making responsible and effective choices in order to reach their social, emotional, and academic potential and contribute to the school community.

School discipline policies and practices alone cannot create a positive school climate, which is why The Exploris School strives to include students, teachers, and parents in the decision-making processes. School climate surveys are given annually to parents, students, and teachers to gain feedback and implement positive changes. Parent and teacher forums are organized to gain feedback when new initiatives and ideas are implemented. Our school climate is centered around several ongoing practices. These practices include opportunities for students to interact with peers, engage with the community, make decisions about their learning, and be recognized by peers for demonstrating our core values. For example, all elementary students and staff, along with family members, take part in our weekly Community Circle, where students are able to share their learning with the community and have opportunities to recognize their peers for demonstrating school values, along with enjoying songs, games and other activities together. Families are invited into the school throughout the year to support a variety of learning activities. Each student in grades K-8 shares their progress and goals with their families during student-led conferences throughout the year.

The Exploris School has a strong system of student support which includes counselors, a success coach, a social-emotional in-class instructor, the EC department, a crisis team, and close student-teacher relationships. As a result, structures and processes have been established to ensure school safety and school climate, including peer resolution through Restorative Justice, bullying prevention programming and policies, attendance policies and intervention support, and the establishment of an emergency and crisis intervention manual.

### **Question 12 - Marketing and Recruiting**

The school's marketing and recruiting efforts are led by the leadership team in coordination with the board's Equity and Diversity (E&D) Committee. The school leadership team maintains all recruitment materials and scheduling of formal school recruitment events. The E&D Committee coordinates with school staff and parents to organize additional recruitment efforts specifically aimed at reaching families of educationally disadvantaged students. These efforts have included community playdates in historically black neighborhoods, targeted social media outreach, visits to local preschools and places of worship, and canvassing in local neighborhoods and community centers. See (Appendix F, 32-36) for a comprehensive list of recruiting materials.

The E&D Committee has also worked with school staff to develop additional recruitment materials to supplement the school's existing promotional materials. These materials include recruitment flyers and FAQs to help parents better understand the application process (see Appendix F, 37- 43). The school's application has been translated into Spanish. Next steps include making all application, recruitment, and enrollment materials available in Spanish, Arabic, and other languages, based on trends in our growing English Language Learner (ELL) populations.

Over the past two years, the school has expanded recruitment events to include evening options for Open House. This strategy has been successful in accommodating families who are not able to attend daytime events due to work commitments. One evening event was held at a nearby Communities in Schools (CIS) Learning Center which serves educationally disadvantaged students. Through our partnership, CIS helped advertise this meet and greet to all families at their various learning centers. We were able to offer application support during this event and had a volunteer spanish translator present. In the future, we would like to have a translator available at all evening recruiting events. We have also identified that having food and childcare available will allow us to reach more families.

We recognize that a diverse staff is an essential element of recruitment. It is important for students to see reflections of themselves in positions of authority. To that end, we have been intentional in our staff recruitment efforts. This includes advertising open positions through networks designed to support minority teachers such as Black Educators Rock. This year we hosted a Teacher's of Tomorrow information session and invited a diverse group of teacher hopefuls to learn about this pathway to teacher certification which was recently approved by the State School Board. Through this experience, they learned about our school and we expanded our educator network. One attendee even applied for an open position. In the future we hope to establish partnerships with the teaching programs at Shaw University and Saint Augustine's University, two historically black colleges within walking distance of our school.

With the support from this grant Exploris will expand recruiting events to include experiential programs within communities that serve educationally disadvantaged students. We

envision sharing our school philosophy through events such as STEM Challenges, service learning, and community gardening. We believe these types of shared experiences build community and are essential to ensuring families of educationally disadvantaged students know that we are an option for their child. In “Creating Cultures of inclusion for Families of Color,” Brown (2015) explains that it is important for families of color to understand the school’s philosophy, norms, and commitment to diversity as early and explicitly as possible. These community-based events will be designed to help families develop a deeper understanding of Exploris, which we hope will encourage them to apply.

Finally, funds from this grant will allow The Exploris School to better share information about who we are and what we do. Over the life of the grant, we will produce and publish new school brochures, an informational video, and an updated website. These materials further enhance our desire to communicate well with families what they can expect when they enroll at Exploris.

### **Question 13 - Transportation**

The Exploris School recognizes that a major barrier to charter school access is the lack of a school-operated bus system. To diminish this barrier, we researched numerous transportation solutions available to schools in Wake County, NC. At this time, we have identified three definitive components of our transportation plan: facilitate student and family use of public transportation and focus recruitment on families that live within designated walk zones and bike zones. We are also considering several other potential additions to our transportation plan which are outlined below. Viable transportation options will be added within the first two years and additional solutions will be added throughout the life of the grant to remove transportation barriers.

**Public Transportation.** The use of public transportation is aligned with the Exploris mission to ensure sustainability and protect our environment. GoTriangle transportation provides a free, public transportation option for all students. Students under the age of 12 always ride free and students ages 13-18 ride free by applying for the youth GoPass program. Applications are available in English and Spanish. The Exploris School will help students and families plan their school route. We will also work with families to coordinate group rides on public transportation so that students coming from the same areas do not have to travel alone.

Access to quality public transportation is also readily available when we move to our new facility in the City Gateway building, which we anticipate to be open in 2021. Both GO Raleigh and GO Triangle serve bus stops within a 0.25-mile walking distance of City Gateway’s main entry. Combined, these bus services provide access to 137 daily weekday trips and 120 daily weekend trips. The various bus routes and transit stops are shown in the maps provided in (Appendix F, 44-50).

**Bike Zone.** The Exploris School will provide bicycles and helmets to students who live within a bike-zone. Bicycling to school is also aligned with our mission and would help our environment by reducing pollution and carbon emissions and increase physical activity and improve health for our students. The new school facility in the City Gateway building borders the Capital Area Greenway Trail System, providing direct access to the downtown bicycle network making it easier for students to bike to school. The bicycle network map is provided in (Appendix F, 44-50).

**Walk Zone.** Located in downtown Raleigh, Exploris is situated within walking distance of multiple economically disadvantaged neighborhoods. We will focus recruitment on three low-income neighborhoods in close proximity to the school: Chavis Heights, Capitol Park, and Walnut Terrace. Chavis Heights is less than one mile from the current Exploris elementary school and our new school location. Both locations have walking routes that do not require students to cross any major streets. Walnut Terrace is even closer than Chavis Heights to our new building. However, it does require students to cross a major road (MLK Boulevard). We will assist families with organizing walking groups and strengthen our carpooling network to minimize major street crossings. Capitol Park is 1.5 miles from our new campus and is on a bus route. Given the short public transportation commute, we will also focus recruiting here.

**Other.** We have also identified four additional transportation solutions which require further research, planning, and negotiation. At least one of these other transportation solutions will be implemented during the grant period.

(1) **Carpool to School app.** Carpool to School is an app that allows families to coordinate carpooling efforts. In addition to traditional ride sharing, it also allows families to coordinate walking groups and public transportation groups.

(2) **Purchasing 1 or 2 School-Owned Vans.** We are currently gathering quotes for the purchase and operation of two 15-passenger vans. Van ownership has the added flexibility and benefit of supporting field trip travel.

(3) **Van Service Subcontractor.** Additionally, we are considering the use of a third-party transportation provider. Triangle Transportation Services, Greenway Transit, and other operators are in the process of being evaluated from a cost/benefit and safety perspective. This solution would include door-to-door pick up and drop off as well as transportation to and from designated gathering spots in areas with a high concentration of Exploris students.

(4) **Partnership with Wake County Public Schools (WCPSS).** An initial meeting and conversation was held with Cathy Moore, Superintendent of WCPSS to discuss the possibility of partnering to meet the transportation needs of our EDS. The initial concept would allow Exploris students to meet at 3-4 gathering spots throughout the county and be transported on a WCPSS bus to The Exploris School.

We will continue to monitor the effectiveness of our transportation plan and conduct a comprehensive transportation needs assessment in the 2022-2023 school year. We will determine whether the existing plan will continue to meet families' needs for the next five year period or whether it is necessary to make revisions and improvements to our transportation plan.

#### **Question 14 - Lunch**

Currently Exploris works with external vendors, My Hot Lunchbox and Spicy Green Gourmet, to provide a school lunch option to families. These services allow families to order a meal that is delivered to school. Historically, My Hot Lunchbox has also generously provided a few meals to feed students that have an economic need, at no additional cost to the school. Additionally, we have snack donations that are collected through a food pantry program that was created by Exploris students through a Service Learning project (see Appendix F, 51-53). When urgent needs arise, we have lunch food on-site and we have additional vendors such as Jersey Mike's, Jimmy Johns, or A Place at the Table that provide donations. As our school began intentionally growing our EDS population, we recognized that our current solutions would not scale or be sustainable.

Last year the Equity and Diversity Board Committee and a school study team of teachers began to look for other food solutions. Three priorities were identified: 1. Nutritious Food 2. Environmentally Friendly Packaging 3. Sustainable Options for Free/Reduced Pricing. We attended an information session on the National School Lunch Program, visited other charter schools, and looked at additional options available in our community. Through a vetting and narrowing process, we decided to conduct a pilot program with Spicy Green Gourmet at our elementary grades. This company allows us to use a portion of the proceeds to purchase meals for students. Early data from this pilot indicate many pros, however it looks unlikely that we will be able to generate enough profit to cover our growing demand. Our current enrollment is 447 with 48 students (10.8%) meeting the federal guidelines for free and reduced lunch. With our current system we are able to serve 15 free lunches daily to students whose families have reached out directly and expressed a need or where staff have observed a need, this is only 31% of our identified need (see Appendix F, 54). We would like to be able to meet the food needs of 100% of students who qualify. We recognize that our current approach is unsustainable, especially as our EDS population expands. We are eager to use funds from this grant to develop a more effective, sustainable Food Plan.

With monies from this grant we will be able to partner with Community Food Lab and Interfaith Food shuttle, a local group that creates change in communities by connecting people, design thinking, and intelligent food system planning (see Appendix F, 55-56). We are committed to learning how we can apply their proven processes, principles, and strategies in order to create an innovative, sustainable food solution that can be shared with other charter schools. We intend to involve our whole community in the design process with students taking leadership roles in work that is related to grade-level standards.

We envision a solution that embraces symbiotic relationships with like-minded community partners. For example, the Food Bank of NC currently offers Cooking Matters classes to our students, with a focus on those that meet F&R criteria. We have been discussing how we can further this partnership by using our garden to supply food in order to defray costs of lunch through their catering program. We have talked with Carroll's Kitchen, a local nonprofit restaurant group that provides employment for women leaving crisis, about the possibilities of how our two organizations could help one another. We are also excited that Weaver Street Market, a local food co-op with a commitment to community food partnerships is opening blocks away from our middle school campus and could become a future partner.

Although we are still finalizing partnerships, we are confident that with money from this grant, the end result will be a sustainable lunch program that is comparable to the National School Program and ensures every student at Exploris has at least one healthy meal daily.

### **Question 15 - Parent Advisory Council**

The Exploris School will create a Parent/ Community Advisory council to support the goals of our NC ACCESS Expansion subgrant. The Advisory Council will have parent representatives that represent the needs of each of the educationally disadvantaged subgroups as well as community members that bridge the connection between home, school, and the greater Raleigh Community.

The purpose of our Advisory Council will be to support the fundraising and programmatic needs of our EDS population. Members of our Advisory council will be individuals that are passionate about educational equity and ensuring access for all students. The

Advisory Council Community partners may consist of representatives from the City of Raleigh Parks and Recreation Department, the YMCA, Community Food Lab, InterFaith Food Shuttle, the Raleigh Chamber of Commerce, a Social Worker, and NCSU's Office of Institutional Equity and Diversity.

The advisory council mission is to identify ways to network throughout the Raleigh community to access resources and opportunities that address the school goals of removing barriers and improving supports to meet educationally disadvantaged students and their families. The Advisory Council will meet on a monthly basis and begin the school year with an overview of the school's goals and objectives to meet the needs of EDS. Each month targeted supports and needs will be clarified and solutions and opportunities to meet those needs will be pursued by the Advisory Council members.

## NC ACCESS PROGRAM SUBGRANT BUDGET

*Directions for completing this workbook are found on tab 1a-Instructions.*

Name of Charter School: **The Exploris School**  
 Authorizer Name: **North Carolina State Board of Education**

Select Subgrant Award Type: **Expansion**  
 Subgrant Award Amount: **\$ 600,000.00**  
 Date: **March 25, 2019**

**Name of person completing this report:**

Name: **Ellie Schollmeyer**  
 Phone: **919-715-3690**  
 E-mail: [ellie@exploris.org](mailto:ellie@exploris.org)

**Name of person to be contacted regarding budget questions:**

Name: **Koren Morgan**  
 Phone: **919-715-3690**  
 E-mail: [kmorgan@exploris.org](mailto:kmorgan@exploris.org)

**Program Contact:** For all application, budget, or other program-related questions contact the NC ACCESS team at:  
 (919) 807-3491 or [NCACCESS@dpi.nc.gov](mailto:NCACCESS@dpi.nc.gov)

### Funding Request

Cost Category	Planning Year	Year 1 Implementation	Year 2 Implementation	Year 3 Implementation	Year 4 Implementation	Year 5 Implementation
Instructional Program	\$ -	\$ 108,000.00	\$ 90,000.00	\$ 94,000.00	\$ 85,000.00	\$ 83,000.00
Support Program	\$ -	\$ 35,000.00	\$ 35,000.00	\$ 40,000.00	\$ 20,000.00	\$ 10,000.00
<b>Total:</b>	<b>\$ -</b>	<b>\$ 143,000.00</b>	<b>\$ 125,000.00</b>	<b>\$ 134,000.00</b>	<b>\$ 105,000.00</b>	<b>\$ 93,000.00</b>

**NC ACCESS PROGRAM SUBGRANT BUDGET  
Budget Request Summary**

Applicant Name:	The Exploris School						
Subgrant Type:	Expansion						
Budget Category	Planning Year	Year 1 Implementation	Year 2 Implementation	Year 3 Implementation	Year 4 Implementation	Year 5 Implementation*	Total
<b>INSTRUCTIONAL PROGRAM</b>							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Provided Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Professional Fees and Contracted Services	\$ -	\$ 30,000.00	\$ 50,000.00	\$ 50,000.00	\$ 48,000.00	\$ 48,000.00	\$ 226,000.00
Supplies and Materials	\$ -	\$ 35,000.00	\$ 20,000.00	\$ 20,000.00	\$ 15,000.00	\$ 15,000.00	\$ 105,000.00
Technology and Equipment	\$ -	\$ 33,000.00	\$ 10,000.00	\$ 14,000.00	\$ 12,000.00	\$ 10,000.00	\$ 79,000.00
Travel, Conferences, and Meetings	\$ -	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 50,000.00
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Instructional Program	\$ -	\$ 108,000.00	\$ 90,000.00	\$ 94,000.00	\$ 85,000.00	\$ 83,000.00	\$ 460,000.00
<b>SUPPORT PROGRAM</b>							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Provided Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Professional Fees and Contracted Services	\$ -	\$ 29,000.00	\$ 2,000.00	\$ 7,000.00	\$ 10,000.00	\$ -	\$ 48,000.00
Supplies and Materials	\$ -	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 15,000.00
Technology and Equipment	\$ -	\$ -	\$ 27,000.00	\$ 27,000.00	\$ 4,000.00	\$ 4,000.00	\$ 62,000.00
Travel, Conferences, and Meetings	\$ -	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 15,000.00
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Support Program	\$ -	\$ 35,000.00	\$ 35,000.00	\$ 40,000.00	\$ 20,000.00	\$ 10,000.00	\$ 140,000.00
<b>Grand Total</b>	<b>\$ -</b>	<b>\$ 143,000.00</b>	<b>\$ 125,000.00</b>	<b>\$ 134,000.00</b>	<b>\$ 105,000.00</b>	<b>\$ 93,000.00</b>	<b>\$ 600,000.00</b>

\*If applicable. Total grant periods cannot exceed sixty (60) months, including the planning year.

NC ACCESS PROGRAM SUBGRANT BUDGET	Year 1 Implementation Budget Detail				
The Exploris School	Complete the budget detail below for all year 1 implementation expenses.				
Expansion	Contact the NC ACCESS Program team if more than 50 rows are needed.				
1	2	3	4	5	6
Budget Category	Item/Expense	Quantity	Unit Price	Total Cost	Description/Notes
Instr. - Supplies and Materials	Instructional supplies, furniture, programs, assessments	1	\$ 35,000.00	\$ 35,000.00	Formalizing our instructional supports for all categories of Multi-Tiered Systems of Support including core instruction, intervention, and exceptional children. Year 1 focus: Furniture in alignment with Tier 3 needs, special education curriculum programs, Tier 2 intervention programs and assessments
Instr. - Professional Fees and Contracted Services	Contract services: Instruction and curriculum development	1	\$ 30,000.00	\$ 30,000.00	Contract with experts to support development and implementation of culturally relevant curriculum and instructional strategies
Instr. - Travel, Conferences, Meetings	Professional Development	1	\$ 10,000.00	\$ 10,000.00	MTSS Focus Year 1: Core climate & culture; Peaceful Schools NC Contract & Cohort to Racial Equity Institute
Instr. - Technology and Equipment	Classroom Technology	1	\$ 23,000.00	\$ 23,000.00	Student iPads (50) with cases for each and 3 charging carts, classroom laminators and two color printers.
Instr. - Technology and Equipment	Playground structures and equipment	1	\$ 10,000.00	\$ 10,000.00	Natural playground at Elementary Campus
Support - Professional Fees and Contracted Services	Contract to develop sustainable food plan and curriculum development	1	\$ 20,000.00	\$ 20,000.00	Contract with Community Food Lab and Interfaith Food Shuttle to develop a sustainable food solution and to collaborate with teachers to design and implement curriculum around food insecurity
Support - Travel, Conferences, Meetings	Family engagement and recruitment events	1	\$ 3,000.00	\$ 3,000.00	Programming for adults and children at family engagement and recruiting events.
Support - Professional Fees and Contracted Services	Translation services	1	\$ 2,000.00	\$ 2,000.00	All recruitment and application materials will be translated in Spanish and Arabic. Translators for meetings and school events.
Support - Supplies and Materials	Recruitment tools	1	\$ 3,000.00	\$ 3,000.00	Printing of recruitment brochures including translated copies
Support - Professional Fees and Contracted Services	Recruitment tools	1	\$ 7,000.00	\$ 7,000.00	Website design

NC ACCESS PROGRAM SUBGRANT BUDGET	Year 2 Implementation Budget Detail				
The Exploris School	Complete the budget detail below for all year 2 implementation expenses.				
Expansion	Contact the NC ACCESS Program team if more than 50 rows are needed.				
1	2	3	4	5	6
Budget Category	Item/Expense	Quantity	Unit Price	Total Cost	Description/Notes
Instr. - Supplies and Materials	Instructional supplies, furniture, programs, assessments	1	\$ 20,000.00	\$ 20,000.00	Formalizing our instructional supports for all categories of Multi-Tiered Systems of Support including core instruction, intervention, and exceptional children. Year 2 focus: Core instruction teaching materials, purchase of K-8 SEL program, purchase of ELL program, EC instructional materials
Instr. - Professional Fees and Contracted Services	Contract services: Instruction and curriculum development	1	\$ 30,000.00	\$ 30,000.00	Contract with experts to support development and implementation of culturally relevant curriculum and instructional strategies
Instr. - Travel, Conferences, Meetings	Professional Development	1	\$ 10,000.00	\$ 10,000.00	MTSS Focus Year 2: SEL Program Implementation
Instr. - Technology and Equipment	Instructional technology	1	\$ 10,000.00	\$ 10,000.00	Classroom projection technology including large HDTV Displays, with carts and Chromecasts (10). Any remaining funds toward doc cams.
Support - Travel, Conferences, Meetings	Family engagement and recruitment events	1	\$ 3,000.00	\$ 3,000.00	Programming for adults and children at family engagement and recruiting events.
Support - Professional Fees and Contracted Services	Translation services	1	\$ 2,000.00	\$ 2,000.00	All recruitment and application materials will be translated in Spanish and Arabic. Translators for meetings and school events.
Instr. - Professional Fees and Contracted Services	Summer readiness camp	1	\$ 10,000.00	\$ 10,000.00	Readiness camps for rising kindergarten and 6th grade students
Instr. - Professional Fees and Contracted Services	After school tutoring program	1	\$ 10,000.00	\$ 10,000.00	School tutoring program - students participate in remediation, enrichment, and support
Support - Technology and Equipment	Transportation solution	1	\$ 27,000.00	\$ 27,000.00	Used 15 passenger van
Support - Supplies and Materials	Recruitment tools	1	\$ 3,000.00	\$ 3,000.00	Printing of recruitment brochures including translated copies

NC ACCESS PROGRAM SUBGRANT BUDGET	Year 3 Implementation Budget Detail				
The Exploris School	Complete the budget detail below for all year 3 implementation expenses.				
Expansion	Contact the NC ACCESS Program team if more than 50 rows are needed.				
1	2	3	4	5	6
Budget Category	Item/Expense	Quantity	Unit Price	Total Cost	Description/Notes
Instr. - Supplies and Materials	Instructional supplies, furniture, programs, assessments	1	\$20,000.00	\$ 20,000.00	Formalizing our instructional supports for all categories of Multi-Tiered Systems of Support including core instruction, intervention, and exceptional children. Focus for Year 3: Culturally responsive classroom libraries and furniture supports for Tier 3
Instr. - Professional Fees and Contracted Services	Contract services: Instruction and curriculum development	1	\$ 30,000.00	\$ 30,000.00	Contract with experts to support development and implementation of culturally relevant curriculum and instructional strategies
Instr. - Travel, Conferences, Meetings	Professional Development	1	\$ 10,000.00	\$ 10,000.00	MTSS Focus Year 3: Racial Equity including the Racial Equity Institute
Instr. - Technology and Equipment	Instructional technology	1	\$ 10,000.00	\$ 10,000.00	Student Chromebooks (40) and 2 charging carts.
Support - Professional Fees and Contracted Services	Contract services: Food solution check in consultation	1	\$ 5,000.00	\$ 5,000.00	Contract with Community Food Lab and Interfaith Food Shuttle to develop a sustainable food solution and to collaborate with teachers to design and implement curriculum around food insecurity
Instr. - Technology and Equipment	Garden project	1	\$ 4,000.00	\$ 4,000.00	Garden Program implementation materials such as soil, tools, and seeds
Support - Travel, Conferences, Meetings	Family engagement and recruitment events	1	\$ 3,000.00	\$ 3,000.00	Programming for adults and children at family engagement and recruiting events.
Support - Professional Fees and Contracted Services	Translation services	1	\$ 2,000.00	\$ 2,000.00	All recruitment and application materials will be translated in Spanish and Arabic. Translators for meetings and school events.
Instr. - Professional Fees and Contracted Services	Summer readiness camp	1	\$ 10,000.00	\$ 10,000.00	Readiness camps for rising kindergarten and 6th grade students
Instr. - Professional Fees and Contracted Services	After school tutoring program	1	\$ 10,000.00	\$ 10,000.00	School tutoring program - students participate in remediation, enrichment, and support
Support - Technology and Equipment	Transportation solution	1	\$ 27,000.00	\$ 27,000.00	Used 15 passenger van
Support - Supplies and Materials	Recruitment tools	1	\$ 3,000.00	\$ 3,000.00	Printing Recruitment brochures including translated copies

NC ACCESS PROGRAM SUBGRANT BUDGET		Year 4 Implementation Budget Detail			
The Exploris School		Complete the budget detail below for all year 4 implementation expenses.			
Expansion		Contact the NC ACCESS Program team if more than 50 rows are needed.			
1	2	3	4	5	6
Budget Category	Item/Expense	Quantity	Unit Price	Total Cost	Description/Notes
Instr. - Supplies and Materials	Instructional supplies, furniture, programs, assessments	1	\$ 15,000.00	\$ 15,000.00	Formalizing our instructional supports for all categories of Multi-Tiered Systems of Support including core instruction, intervention, and exceptional children. Year 4 focus: Tiers 1 and 2 instructional materials and assessments based on needs assessment in Year 3
Instr. - Professional Fees and Contracted Services	Contract services: Instruction and curriculum development	1	\$ 30,000.00	\$ 30,000.00	Contract with experts to support development and implementation of culturally relevant curriculum and instructional strategies
Instr. - Travel, Conferences, Meetings	Professional Development	1	\$ 10,000.00	\$ 10,000.00	MTSS Focus Year 4: Strategies for effective technology integration
Instr. - Technology and Equipment	Instructional technology	1	\$ 10,000.00	\$ 10,000.00	Classroom projection technology including large HDTV Displays, with carts and Chromecasts (10). Any remaining funds toward doc cams.
Instr. - Technology and Equipment	Garden project	1	\$ 2,000.00	\$ 2,000.00	Garden Program expansion and support
Support - Travel, Conferences, Meetings	Family engagement and recruitment events	1	\$ 3,000.00	\$ 3,000.00	Programming for adults and children at family engagement and recruiting events.
Support - Professional Fees and Contracted Services	Translation services	1	\$ 2,000.00	\$ 2,000.00	All recruitment and application materials will be translated in Spanish and Arabic. Translators for meetings and school events.
Instr. - Professional Fees and Contracted Services	Summer readiness camp	1	\$ 8,000.00	\$ 8,000.00	Readiness camps for rising kindergarten and 6th grade students
Instr. - Professional Fees and Contracted Services	After school tutoring program	1	\$ 10,000.00	\$ 10,000.00	School tutoring program - students participate in remediation, enrichment, and support
Support - Technology and Equipment	Transportation Solution	1	\$ 4,000.00	\$ 4,000.00	Approximately 20 bikes and helmets for student use.
Support - Supplies and Materials	Recruitment tools	1	\$ 3,000.00	\$ 3,000.00	Printing Recruitment brochures including translated copies
Support - Professional Fees and Contracted Services	Recruitment tools	1	\$ 8,000.00	\$ 8,000.00	Recruitment brochure design (\$3,000) and recruitment video creation (\$5,000)

NC ACCESS PROGRAM SUBGRANT BUDGET	Year 5 Implementation Budget Detail				
The Exploris School	Complete the budget detail below for all year 5 implementation expenses. Note: this page is only applicable if the applicant has not already budgeted for five years of subgrant funding (including planning).				
Expansion	Contact the NC ACCESS Program team if more than 50 rows are needed.				
1	2	3	4	5	6
Budget Category	Item/Expense	Quantity	Unit Price	Total Cost	Description/Notes
Instr. - Supplies and Materials	Instructional supplies, furniture, programs, assessments	1	\$ 15,000.00	\$ 15,000.00	Formalizing our instructional supports for all categories of Multi-Tiered Systems of Support including core instruction, intervention, and exceptional children. Year 5 focus: Tier 3 instructional materials based on needs assessment in Year 4
Instr. - Professional Fees and Contracted Services	Contract services: Instruction and curriculum development	1	\$ 30,000.00	\$ 30,000.00	Contract with experts to support development and implementation of culturally relevant curriculum and instructional strategies
Instr. - Travel, Conferences, Meetings	Professional Development	1	\$ 10,000.00	\$ 10,000.00	MTSS Focus to be determined based on feedback from PD in previous years.
Instr. - Technology and Equipment	Instructional technology	1	\$ 10,000.00	\$ 10,000.00	Student devices such as iPads and Chromebooks. Amount of each based on needs assessment in Year 4
Support - Travel, Conferences, Meetings	Family engagement and recruitment events	1	\$ 3,000.00	\$ 3,000.00	Programming for adults and children at family engagement and recruiting events.
Instr. - Professional Fees and Contracted Services	Summer readiness camp	1	\$ 8,000.00	\$ 8,000.00	Readiness camps for rising kindergarten and 6th grade students
Instr. - Professional Fees and Contracted Services	After school tutoring program	1	\$ 10,000.00	\$ 10,000.00	School tutoring program - students participate in remediation, enrichment, and support
Support - Technology and Equipment	Transportation solution	1	\$ 4,000.00	\$ 4,000.00	Approximately 20 bikes and helmets for student use.
Support - Supplies and Materials	Recruitment tools	1	\$ 3,000.00	\$ 3,000.00	Printing recruitment brochures including translated copies

## **EXPLORIS BUDGET NARRATIVE**

### **A. Describe anticipated costs for the duration of the grant period**

#### **Instructional Program: Professional Fees and Contracted Services**

##### Professional Development/Consultant

Professional development will be conducted via contracts with consultants to provide instructional strategy support and develop training and curricula, especially in the area of Culturally Relevant teaching. This grant will fund \$30,000 per year for The Exploris School to contract with consultants who are experts in the field of Culturally Relevant Teaching. These experts will develop curricula and training, as well as work alongside teachers and staff to ensure that we are appropriately embracing culturally relevant practices.

##### Readiness Camps and Tutoring Program

Readiness camps and tutoring programs will also be funded through this grant. Free readiness camps for rising kindergarten and 6th grade students will be held during the summer to help students and families transition to the start of school. This grant will provide \$36,000 to fund this program which will support social-emotional and academic school readiness. A new school tutoring program will also be established to allow students to participate in remediation, enrichment, and support. Funding of \$40,000 will allow this tutoring program to operate outside of school hours and in conjunction with our classroom teachers and community partners.

#### **Instructional Program: Supplies and Materials**

Over the five year course of this grant, \$105,000 is budgeted to provide instructional materials. These materials include formalizing academic and social-emotional learning through the acquisition of EC, ELL, Intervention, and SEL programs. Additionally, we will purchase instructional materials such as culturally relevant classroom libraries. Finally, we will implement classroom design elements such as furniture that will better support the needs of students with learning, developmental, and/or intellectual disabilities. These instructional supports will focus on all categories of Multi-Tiered Systems of Support including core instruction, intervention, and exceptional children.

#### **Instructional Program: Technology and Equipment**

We have budgeted \$63,000 over the course of the grant for instructional technology. Of this funding, \$40,000 will be utilized to purchase student devices such as iPads and Chromebooks. Also, \$20,000 will fund classroom technology such as projection supplies (ex. networked televisions, projectors, and document cameras). Additionally, the Exploris School will use \$3,000 to purchase two color printers and several small laminators, which are needed technology-based supplies for creating special education tools such as visual schedules and choice boards.

Funding in the amount of \$10,000 will be used to construct a Nature Playground for our elementary campus. Natural playgrounds not only help with physical skills, but also help to develop social skills, collaboration, and problem-solving. This playground is an important element of ensuring a positive school climate.

Starting In the third year of the grant period, our food program will be expanded to include a school garden as a source of fresh produce for the lunch program. Total grant funds for

the school garden will amount to \$6,000 and serve as a learning tool for a variety of subjects, including life skills.

### **Instructional Program: Travel, Conference Meetings**

Throughout the grant, staff will be engaged in robust, ongoing professional development through a variety of sources and focused on the following areas: racial equity, social-emotional learning (SEL), integrating technology, exceptional children's programming (EC and ELL), and intervention supports. Professional development will be centered on building a Multi-Tiered System of Supports for students, which allow us to address the whole child at every level. Funding from this grant will provide \$10,000 per year toward organized staff professional development and opportunities for teachers to lead workshops that expand our impact to other schools. For example, in the first year of the grant, The Exploris School will work with Peaceful Schools NC to provide a staff retreat, classroom management workshops, teacher-coaching, leadership training, and schoolwide discipline workshops. The remaining funds will be used to begin training through the Racial Equity Institute and other related experiences.

### **Support Program: Professional Fees and Contracted Services**

#### Food Plan

This grant will provide \$25,000 to develop a sustainable school lunch plan to remove this significant barrier to access. This funding will be used to develop a sustainable food solution to ensure that every student at Exploris has at least one healthy meal daily. This work will be completed in collaboration with Community Food Lab and the Interfaith Food Shuttle. We will contract with this organization to develop a plan to apply their proven processes, principles, and strategies in order to create an innovative sustainable food solution. The plan will be assessed for efficacy in year 3 under this contract.

#### Translation Services

Translation services utilizing \$8,000 over the five-year grant will allow us to make all application, recruitment, and enrollment materials available in Spanish, Arabic, and other languages as needed. Translating services will also be available for meetings and school events to help our growing English Language Learner (ELL) families

#### Recruitment Plan

School communications and marketing are critical in order to effectively recruit new families. Grant funding of \$15,000 will be utilized to produce an informational video, create the design for a recruitment brochure and redesign the school website.

### **Support Program: Supplies and Materials**

Grant funding in the amount of \$15,000 will allow Exploris to create and publish effective recruitment tools. This money will be allocated for brochure creation and publication, as well Our current website is difficult to navigate and not culturally responsive to meet the needs of our EDS families. The redesign will make the website a more effective recruitment tool since it will be easier for families of EDS to learn more about our school programs and how we can address the academic, social, and emotional needs of their children. The school brochures and video are also a vital tools for communicating our philosophy and commitments to families. We recognize that culturally responsive work includes providing up-front, explicit explanations of our values, norms, methods, and commitment to diversity.

## **Support Program: Technology and Equipment**

### Transportation

Exploris will utilize \$62,000 of this grant to address the significant barrier of transportation. A Carpool to School app will assist in connecting families to carpool, walk, bike and use public transportation with one another. The purchase of two 15 passenger vans will allow the school to provide transportation to educationally disadvantaged students both to and from school as well as on curriculum-embedded field experiences. Bicycles and helmets will also be purchased to provide families with another option for transportation.

## **Support Program: Travel, Conference, Meetings**

### Family Engagement Events and Recruitment

Family engagement and recruitment events will be expanded to include experiential programs such as STEM challenges, service learning, and community gardening. These events will include programming for adults and children. This grant will provide \$3,000 per year per year to provide these learning events.

## **B. Financial viability beyond expiration of grant period.**

The NC ACCESS Expansion Subgrant will provide the funding needed to plan, educate, and build the supports needed for The Exploris School to serve a significantly higher number of educationally disadvantaged students. These initiatives will continue at Exploris beyond the grant period in a variety of ways.

The work of the grant has been designed with sustainability in mind. The food plan will be designed to be financially sustainable after year 3 of the grant. The transportation plan may require financial upkeep depending on the final alternatives included. Van or bus sharing fees or the cost of vehicle insurance, maintenance, and gas for the 15 passenger vans may be required. This funding will come from the school operating budget beginning in year 2.

Exploris will continue to use fundraising to supplement programs that require ongoing resources, such as the summer readiness camp, tutoring program, and family engagement and recruitment events. Currently, the school's fundraising efforts are focused on a capital campaign, but in the future, efforts will be redirected to the annual fund. In the past, the annual fund has raised \$100,000 per year. We recognize that as we increase our population of economically disadvantaged families the fundraising contributions from families may decline. We will also target corporate donors and foundations to provide additional funding to support initiatives for EDS and their families.

Exploris will also seek out additional grant funding in the future to continue to grow and enhance programming for our educationally disadvantaged students. Any additional funding needed to sustain the programs will be absorbed into the school budget. Exploris has been in operation for over 21 years and is proud to maintain a healthy and sustainable budget with a reserve beyond the recommended level. We are confident in the school's commitment and ability to locate and take advantage of the necessary resources to maintain and grow these programs into the future.

**C. Describes how the applicant will have a high degree of autonomy over the budget and operations**

The Exploris School will maintain complete autonomy over the budget for the NC ACCESS Expansion Grant funding and the operations of the programs established under the grant. As an independent charter school, we are not tied to any network or similar organization. Therefore, we maintain complete autonomy over all aspects of our budget and operations. The Exploris School administration and staff operate with sound fiscal management and continuously ensure that all funds allocated are spent judiciously to meet student and staff needs that are in alignment with goals and objectives. Operational oversight of products, programs, and services implemented will be monitored and measured to ensure that results are achieved to remove barriers, improve access through recruitment, and provide the needed supports for EDS to be successful academically, socially, and emotionally.

## Logic Model: The Exploris School

Objectives
<ol style="list-style-type: none"> <li>1. Increase the percent of educationally disadvantaged students from 22% to 32% by June 2024; and share effective practices for creating an inclusive community with other educators.</li> <li>2. Remove the most common barriers that make charter schools inaccessible to disadvantaged families by creating plans for sustainable student support including those for food, transportation, and communication by June 2021.</li> <li>3. Strengthen our student support network by developing and engaging with families and community-based partners as measured by year-over-year growth in participation and number of partnerships.</li> <li>4. Create a safe and joyful learning environment that is developmentally responsive to student’s strengths and needs as measured by annual school climate surveys.</li> <li>5. Build teacher capacity through ongoing robust professional development and culturally responsive programming in order to increase student achievement as measured by meeting or exceeding Expected Growth in all subgroups.</li> </ol>

Inputs	Outputs		Outcomes and Impacts		
	<i>Activities</i>	<i>Participation</i>	<i>Short</i>	<i>Medium</i>	<i>Long</i>
Funding Contract Services Training for staff Collaboration with partner organizations Staff time	Instructional programs, technology, and materials are available to meet the needs of all learners.  Physical space (classrooms and playground) meet the needs of all learners.	Teachers Administrators Staff Partner Organizations Families Students	Increased number of students enrolled who are educationally disadvantaged.  Students increase their academic and social-emotional skills.  Increase in teacher readiness to	Every student has at least one healthy meal at school.  Every student has a reliable method to get to school.  Summer readiness programs prepare Exploris students for success	Increased public support for charter schools.  Exploris is recognized as a national model public school demonstrating innovation, support, and success for EDS.  Increased capacity to support students who are educationally disadvantaged.

<p>and knowledge</p> <p>Research base</p> <p>Organizational knowledge base</p>	<p>Teachers and staff engage in robust training and support.</p> <p>A sustainable food solution is developed and implemented.</p> <p>Family recruitment and engagement activities.</p> <p>Recruitment and enrollment materials are translated, produced, published, and shared.</p> <p>A sustainable transportation plan is developed and implemented.</p> <p>Summer, after-school, and</p>	<p>Consultants</p>	<p>provide high quality, culturally relevant teaching.</p> <p>Increase in data showing a positive school climate.</p> <p>Decrease in office referrals.</p> <p>School recruitment materials are available in multiple languages.</p> <p>Increase in attendance at family engagement events.</p> <p>Increase in number of partner organizations.</p>	<p>Decrease in number of families transferring out of Exploris.</p> <p>Increase in number of families applying for the Exploris priority lottery for economically disadvantaged families..</p>	<p>Increased ability to share successful strategies with other charter schools.</p>
--	---	--------------------	--	--	---

	intersession tutoring/support is provided to students.				
--	--	--	--	--	--

<p><b>Assumptions</b>  Engaging teachers in professional development will increase teacher competence and instructional skill  Improving instruction, which includes providing culturally relevant teaching, will increase student academic and social-emotional skills  Increased social-emotional skills, teacher knowledge, and programming will improve the school climate  Developing and implementing food and transportation plans will increase enrollment, reputation, and retention  Increased academic and social-emotional skills will increase enrollment, reputation, and retention  Providing translated materials and family recruitment events will increase enrollment, retention, and family engagement.</p>	<p><b>External Factors</b>  Location  State/Federal Funding  Overall Economy  Legislation</p>
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## APPENDICES

### A. Student Assessment Data

i.	NC State Report Card Letter Grades.....	A1
ii.	Student Achievement Percentages .....	A1
iii.	EVAAS Composites.....	A2
iv.	Graduation Rates.....	A2

### B. Financial Audits Prior Three Years of Data.....B 1 - 145

### C. Contractual Agreements with Partner Organizations

Memorandum of Understanding with Communities in Schools of Wake .....	C1-4
UNC TEACHH .....	C5-8
The Fletcher Academy .....	C 9-13

### D. Evidence of Competitive Preference Standards- Increasing Racial and Ethnic Diversity

Change in North Carolina K-122 Population DPI presentation .....	D1-8
CIS Wake Housing Data demographics.....	D 9

### E. Priority Consideration – Not Applicable

### F. Additional Supplementary Documentation

Citations.....	F1-2
Letters of Support	
Dr. June Atkinson – Education Consultant and former State Superintendent.....	F3
Alfred Mays – Burroughs Wellcome Fund.....	F4
Strategic Plan 2013-2018 and 2019-2024.....	F5-15
Exploris Equity and Diversity Committee Flyer.....	F16-17
Student Presentation on Equity.....	F18-24
Parent University Equity and Diversity Conversation.....	F25
Parent Meet and Greet at CIS Wake with Chavis Heights.....	F26
Parent Survey on Equity and Diversity.....	F27-28
Student letter to the School Board regarding Diversity and the school calendar.....	F29-30
Exploris School Calendar.....	F31
Exploris Equity and Diversity Recruitment Plan (2018-2019).....	F32-36
Exploris School brochure.....	F37-38
Exploris tour Flyer.....	F39
Exploris FAQ.....	F40
Lottery FAQ.....	F41- 43
Transit Plan and maps.....	F44-50
Student Service Learning Food Pantry.....	F51-53
Economically Disadvantaged Students Free and Reduced Lunch Data.....	F54
Community Food Lab Scope of Work.....	F55-56

## Appendix A

### (i) - NC State Report Card Letter Grades

	Report Card Letter Grade
2015-2016	A
2016-2017	B
2017-2018	B

### (ii) Student Achievement Percentages (including subgroup data)

#### Proficiency by Subgroup for 2017-2018

	All	Female	Male	White	Black	Asian	2 or more	SWD
Math	78.9	80.1	77.6	79.0	54.2	>95	86.7	38.6
Reading	83.8	89.2	78.3	84.4	66.7	>95	93.3	50.0
Science	92.7	91.1	94.3	92.0	n/a	n/a	n/a	83.3

#### Proficiency by Subgroup for 2016-2017

	All	Female	Male	White	Black	Asian	2 or more	EDS	SWD
Math	79.1	81.1	76.9	81.2	45.0	95.0	75.0	67.9	35.3
Reading	84.3	88.2	80.1	85.7	65.0	78.6	87.5	78.6	52.9
Science	90.9	91.4	90.4	90.1	n/a	n/a	n/a	81.8	45.5

#### Proficiency by Subgroup for 2015-2016

	All	Female	Male	White	Black	Asian	Hispanic	2 or more	EDS	SWD
Math	84.8	87.6	81.8	85.5	60.0	95.0	90.9	83.3	76.0	37.5
Reading	86.3	89.4	83.0	87.4	65.0	88.2	90.9	91.7	80.0	52.5
Science	95.0	95.0	94.3	95.0	n/a	n/a	n/a	n/a	90.0	84.6

**iii - EVAAS Composite Scores**

	EVAAS Composite
2015-2016	5.41
2016-2017	-5.01
2017-2018	0.95

**iv - Graduation Rates - not applicable**

November 14, 2018

To the Board of Directors  
The Exploris School

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Exploris School (the "School") for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 21, 2018. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by The Exploris School are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2018. We noted no transactions entered into by The Exploris School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the School's financial statements were:

Management's estimate of the depreciable lives is based on the estimated useful lives of the capital assets. We evaluated the key factors and assumptions used to develop the depreciable lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the carrying value of the School's investment in the unconsolidated joint venture is based upon certain estimates used to prepare the financial statements of the joint venture. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the allowance for uncollectible promises to give is based on the amount management expects to collect from outstanding balances at June 30, 2018. We evaluated the key factors and assumptions used to develop the allowance for uncollectible promises to give in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 14, 2018.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to The Exploris School's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as The Exploris School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Review of Bank Reconciliations

We noted that the bank accounts are formally reconciled monthly to transactions recorded in the accounting system. However, we noted that this reconciliation has no indication of review or approval by another member of management. We recommend that another member of management initial and date the reconciliation at the time of review. This will ensure that there is adequate support for segregation of duties.

### Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

November 14, 2018  
Page 3 of 3

We were engaged to report on the budgetary schedules and the schedule of expenditures of federal and State awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of The Exploris School and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Thomas, Judy & Tucker, P.A.*

Thomas Judy & Tucker, P.A.

Client: *59120 - The Exploris School*  
 Engagement: *AUD - 6/30/2018*  
 Period Ending: *6/30/2018*  
 Workpaper: *A11.02 - Passed Journal Entries Report*

Account	Description	W/P Ref	Debit	Credit
<b>Passed Journal Entries JE # 22</b>		<b>E03</b>		
To correct pledge receivable balance to actual at year end				
7.TJT4	Pledges Receivable		4,000.00	
7.TJT7	Pledge receivable revenue			4,000.00
<b>Total</b>			<u><u>4,000.00</u></u>	<u><u>4,000.00</u></u>

**THE EXPLORIS SCHOOL**

Financial Statements  
Year Ended June 30, 2018

**THE EXPLORIS SCHOOL**  
**Table of Contents**  
**As of June 30, 2018**

<u>Exhibit</u>		<u>Page</u>
	Financial Section:	
	Independent Auditors' Report	1 - 2
	Management's Discussion and Analysis	3 - 10
	Basic Financial Statements:	
	Government-wide Financial Statements:	
1	Statement of Net Position	11
2	Statement of Activities	12
	Fund Financial Statements:	
3	Balance Sheet – Governmental Funds	13
	Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	13
4	Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	14
5	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	15
6	Statement of Net Position – Proprietary Funds	16
7	Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	17
8	Statement of Cash Flows – Proprietary Funds	18
	Notes to the Financial Statements	19 - 32
	<u>Statement</u>	
	Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
1	All Governmental Fund Types	33 - 34
2	Proprietary Fund Types	35
	Compliance Section:	
	Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	36 - 37
	Independent Auditors' Report on Compliance for Each Major State Program and on Internal Control over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act	38 - 39
	Schedule of Findings and Questioned Costs	40 - 41
	Summary Schedule of Prior Audit Findings	42
	Schedule of Expenditures of Federal and State Awards	43

Caroline P. Abbott  
Jeffrey A. Brovet  
Thomas R. Crawford  
Amanda P. Habich  
Kristen T. Hoyle



B7  
David A. Johnson  
Chris P. Judy  
Geri H. Lail  
James K. Tiller  
David W. Tucker

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Exploris School  
Raleigh, North Carolina

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Exploris School as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise The Exploris 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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Exploris School as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise The Exploris School's basic financial statements. The budgetary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal and State Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The budgetary schedules, as well as the accompanying Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary schedules, and the accompanying Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2018 on our consideration of The Exploris 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 the report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Exploris School's internal control over financial reporting and compliance.

*Thomas, Judy & Tucker, P.A.*

November 14, 2018

**Management's Discussion and Analysis**  
**The Exploris School**  
**June 30, 2018**

As management of The Exploris School, we offer readers of The Exploris School's audited financial statements this narrative overview and analysis of the financial activities of The Exploris School for the fiscal year ended June 30, 2018. We encourage readers to read the information presented herein in conjunction with additional information that we have furnished in the School's financial statements, which follow this narrative.

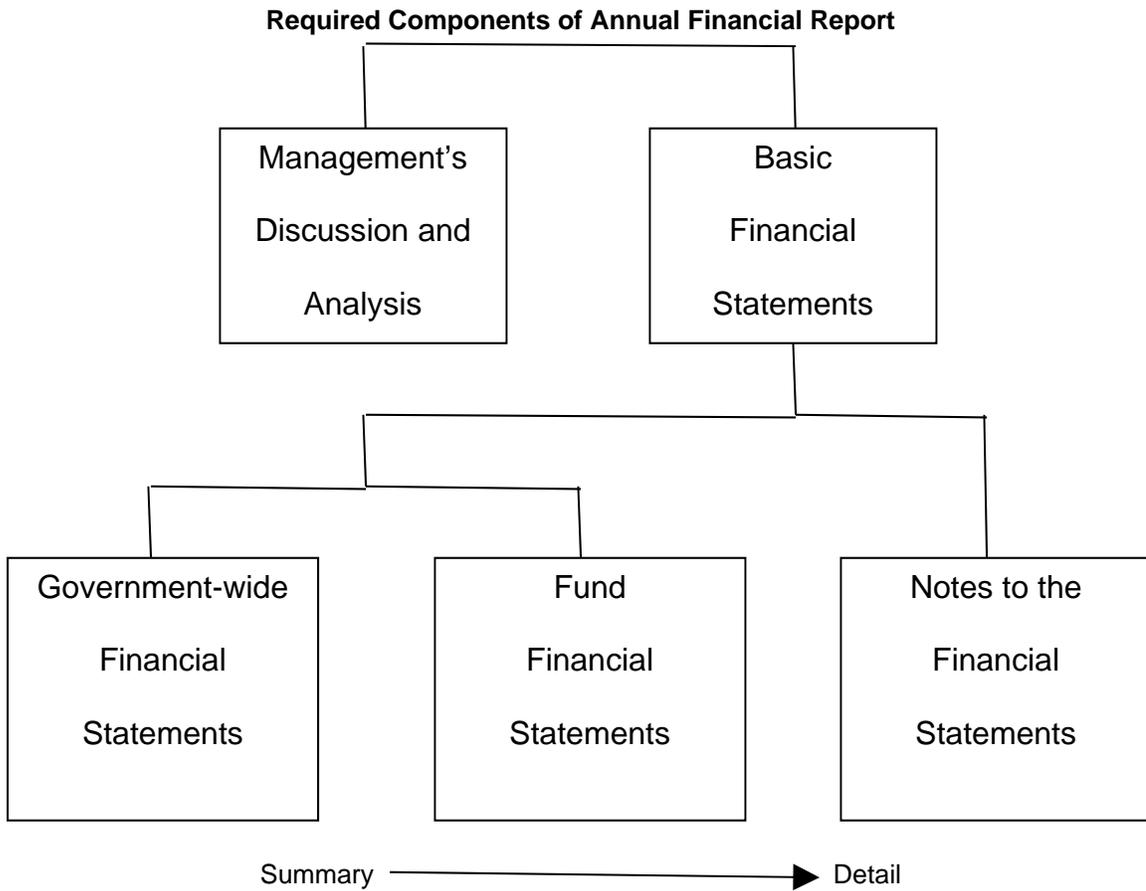
**Financial Highlights**

- The assets of The Exploris School exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$2,012,604 (*net position*).
- The School's total net assets increased by \$545,095.
- As of the close of the current fiscal year, The Exploris School's governmental funds reported combined ending fund balances of \$1,013,364.
- Enrollment has remained steady at the School. In 2015-2016 the State funded Average Daily Membership (ADM) was 421. In 2016-2017 it was 419, and in 2017-2018 it was 420.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to The Exploris School's basic financial statements. The School's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two distinct financial perspectives of the School through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of The Exploris School.

Figure 1



### Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the School's financial standing.

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual segments of the School's government and are more detailed than the government-wide financial statements. There are two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the proprietary fund statements.

Immediately following the fund financial statements are the **Notes to the Financial Statements** (i.e. "Notes"). The Notes offer a detailed explanation of the data contained in those statements. Next, **supplemental information** is provided to show details about the School's funds. Budgetary information for the School can also be found in this section of the statements.

**Management's Discussion and Analysis  
The Exploris School  
June 30, 2018**

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the School's finances, similar in format to the financial statements of a private-sector business. The government-wide statements provide short and long-term information about the School's financial status, as a whole.

The two government-wide statements report the School's net position and how they have changed. Net position equals the difference between the School's total assets and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the School's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the School's basic functions such as instructional services and business services. These functions are funded almost entirely through state, county, and federal educational funds. The business-type activities are those services that the School charges its students and other customers. These include the Before and After School Care program carried out by The Exploris School.

The government-wide financial statements are enumerated in Exhibits 1 and 2 of this report.

**Fund Financial Statements**

The fund financial statements provide a more detailed look at the School's most significant activities. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Exploris School, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related statutory requirements, such as the North Carolina General Statutes or the School's budget ordinance, where and when applicable. All of the funds of The Exploris School can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds** – Governmental funds are used to account for functions reported as governmental activities in the government-wide financial statements. Most of the School's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and monies remaining at year-end that will be available for spending in the next fiscal year. Governmental funds are reported using the modified accrual accounting method, which provides a short-term spending focus. The governmental fund financial statements assist the reader in determining whether there has been an increase or a decrease in the financial resources available to finance the School's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is an integral part of the fund financial statements.

**Management's Discussion and Analysis**  
**The Exploris School**  
**June 30, 2018**

Although not compelled or required to do so by federal, state, or local law, The Exploris School has elected to adopt an annual budget. Since the budget is not required by law, the budgetary comparison statements are not included in the basic financial statements, but are part of the supplemental statements and schedules following the notes. The budget incorporates input from the faculty, management, and the Board of Directors of the School and specifies which activities will be pursued and which services the School will provide during the year. It also authorizes the School to obtain funds from identified sources to finance current period activities. The budgetary statement demonstrates how well the School has complied with the budget ordinance and whether or not the School has succeeded in providing the services as originally planned.

**Proprietary Funds** – The Exploris School has two proprietary funds, which are enterprise funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Exploris School uses enterprise funds to account for its Before and After School Care functions.

**Notes to the Financial Statements** – The notes provide additional information essential to facilitating a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as one useful indicator of a school's financial condition. The assets of The Exploris School exceeded liabilities by \$2,012,604 as of June 30, 2018. As of June 30, 2017, the net position of The Exploris School stood at \$1,467,509. The School's net position increased by \$545,095 for the fiscal year ended June 30, 2018, compared to an increase of \$243,449 in 2017. The amount of \$203,716 reflects the School's investment in capital assets (e.g. leasehold improvements, furniture, and electronic equipment), less any related debt still outstanding that was issued to acquire those items. The Exploris School uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although The Exploris School's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of The Exploris School's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,808,888 is unrestricted. In 2017, the net investment in capital assets was \$326,671, with unrestricted net position standing at \$1,140,838.

**Management's Discussion and Analysis**  
**The Exploris School**  
**June 30, 2018**

**Figure 2**  
**The Exploris School's Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 1,547,911	\$ 945,364	\$ 280,171	\$ 210,325	\$ 1,828,082	\$ 1,155,689
Capital assets, net of depreciation	203,716	326,671	-	-	203,716	326,671
<b>Total assets</b>	<b>1,751,627</b>	<b>1,272,035</b>	<b>280,171</b>	<b>210,325</b>	<b>2,031,798</b>	<b>1,482,360</b>
Other liabilities	19,104	-	-	-	19,104	-
Long-term liabilities outstanding	-	-	-	-	-	-
<b>Total liabilities</b>	<b>19,104</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,104</b>	<b>-</b>
Deferred inflows of resources	-	14,851	-	-	-	14,851
<b>Net position:</b>						
Net investment in capital assets	203,716	326,671	-	-	203,716	326,671
Unrestricted	1,528,717	930,513	280,171	210,325	1,808,888	1,140,838
<b>Total net position</b>	<b>\$ 1,732,433</b>	<b>\$ 1,257,184</b>	<b>\$ 280,171</b>	<b>\$ 210,325</b>	<b>\$ 2,012,604</b>	<b>\$ 1,467,509</b>

Several aspects of the School's financial operations positively influenced the total unrestricted governmental net assets:

- The School adopted an annual budget. The School's performance was measured using this budget on a monthly basis, allowing changes to be made in spending as needed to remain within the confines of the budget.
- The School applied for and was awarded federal grants to assist with meeting the educational needs of the student population.

Management's Discussion and Analysis  
The Exploris School  
June 30, 2018

Figure 3

## The Exploris School's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Charges for services	\$ -	\$ -	\$ 90,358	\$ 81,080	\$ 90,358	\$ 81,080
Operating grants and contributions County, State, and federal Funds	63,068	72,634	-	-	63,068	72,634
Donations and other revenues	3,417,810	3,346,083	-	-	3,417,810	3,346,083
	767,751	319,554	-	-	767,751	319,554
<b>Total revenues</b>	<b>4,248,629</b>	<b>3,738,271</b>	<b>90,358</b>	<b>81,080</b>	<b>4,338,987</b>	<b>3,819,351</b>
Instructional programs	3,138,418	3,066,506	-	-	3,138,418	3,066,506
Support services	634,962	487,365	-	-	634,962	487,365
Child care	-	-	20,512	17,365	20,512	17,365
Interest on long-term debt	-	4,666	-	-	-	4,666
<b>Total expenses</b>	<b>3,773,380</b>	<b>3,558,537</b>	<b>20,512</b>	<b>17,365</b>	<b>3,793,892</b>	<b>3,575,902</b>
<b>Increase (decrease) in net assets</b>	<b>475,249</b>	<b>179,734</b>	<b>69,846</b>	<b>63,715</b>	<b>545,095</b>	<b>243,449</b>
<b>Net assets, July 1</b>	<b>1,257,184</b>	<b>1,077,450</b>	<b>210,325</b>	<b>146,610</b>	<b>1,467,509</b>	<b>1,224,060</b>
<b>Net assets, June 30</b>	<b>\$ 1,732,433</b>	<b>\$1,257,184</b>	<b>280,171</b>	<b>\$ 210,325</b>	<b>\$2,012,604</b>	<b>\$1,467,509</b>

**Governmental activities.** Governmental activities increased the School's net position by \$475,249.

**Business-type activities.** Business-type activities increased The Exploris School's net position by \$69,846.

By adopting a budget for the enterprise funds that comprise the business-type activities, the Board is able to monitor the School's revenues and expenditures and adjust their estimates as needed during the year.

**Management's Discussion and Analysis  
The Exploris School  
June 30, 2018**

**Financial Analysis of the School's Funds**

As noted earlier, The Exploris School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of The Exploris School's governmental funds is to provide information on near-term inflows, outflows, and balances of usable financial resources. Such information is useful in assessing The Exploris School's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of The Exploris School. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$965,062, while total fund balance reached \$1,013,364. \$48,302 is nonspendable as of June 30, 2018 and is reported as assigned fund balance within the general fund.

**Proprietary Funds.** The School's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Before and After School Care Fund at the end of the fiscal year amounted to \$280,171.

**Capital Asset and Debt Administration**

**Capital assets.** The Exploris School's investment in capital assets for its governmental activities as of June 30, 2018, totals \$203,716 (net of accumulated depreciation). Capital assets include furniture, electronic equipment, and leasehold improvements.

**Figure 4  
The Exploris School's Capital Assets  
(net of depreciation)**

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
<b>Construction In Progress</b>	\$ -	\$ -
<b>Furniture</b>	1,389	1,806
<b>Electronic equipment</b>	2,125	4,722
<b>Leasehold improvements</b>	200,202	320,143
<b>Total</b>	<b>\$ 203,716</b>	<b>\$ 326,671</b>

Additional information about the School's capital assets can be found in Note 2.A.2. of the Basic Financial Statements.

**Long-term Debt.** As of June 30, 2018, The Exploris School did not have any outstanding debt.

**Management's Discussion and Analysis  
The Exploris School  
June 30, 2018**

**Economic Factors**

The following key economic indicators reflect the growth and prosperity of the School:

- The LEA in which the school resides has experienced tremendous growth, which should provide a steady stream of students into the School's limited available space.
- The State of North Carolina per pupil funding for the 2017-2018 school year, increased by \$196.81 which equated to a 4.03% increase from the prior year.
- The downtown area of Raleigh continues to be revitalized bringing many new families into the new homes and apartments that surround the School which will continue to provide a steady stream of new students that can potentially enroll at Exploris.

**Requests for Information**

This report is designed to provide an overview of the School's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Board Chair, The Exploris School, 401 Hillsborough Street, Raleigh, North Carolina 27603, telephone (919) 715-3690.

**THE EXPLORIS SCHOOL**  
**Statement of Net Position**  
**June 30, 2018**

**Exhibit 1**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 896,919	\$ 280,171	\$ 1,177,090
Receivables	87,247	-	87,247
Pledges receivable	515,443	-	515,443
Security deposit	15,658	-	15,658
Prepaid items	32,644	-	32,644
Capital assets (Note 1):			
Other capital assets, net of depreciation	203,716	-	203,716
Total assets	1,751,627	280,171	2,031,798
<b>LIABILITIES</b>			
Accounts payable	19,104	-	19,104
Total liabilities	19,104	-	19,104
<b>NET POSITION</b>			
Net investment in capital assets	203,716	-	203,716
Unrestricted	1,528,717	280,171	1,808,888
Total net position	\$ 1,732,433	\$ 280,171	\$ 2,012,604

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL**  
**Statement of Activities**  
**For the Year Ended June 30, 2018**

**Exhibit 2**

<b>Functions/Programs</b>	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>						
Governmental activities:						
Instructional services	\$ 3,138,418	\$ -	\$ 63,068	\$ (3,075,350)	\$ -	\$ (3,075,350)
System-wide support services	634,962	-	-	(634,962)	-	(634,962)
Total governmental activities	3,773,380	-	63,068	(3,710,312)	-	(3,710,312)
Business-type activities:						
Child care	20,512	90,358	-	-	69,846	69,846
Total business-type activities	20,512	90,358	-	-	69,846	69,846
Total primary government	\$ 3,793,892	\$ 90,358	\$ 63,068	(3,710,312)	69,846	(3,640,466)
General revenues:						
Unrestricted county appropriations				1,048,419	-	1,048,419
Unrestricted State appropriations				2,369,391	-	2,369,391
Contributions and donations				717,641	-	717,641
Grants				15,000	-	15,000
Field trips				108,164	-	108,164
Miscellaneous, unrestricted				9,927	-	9,927
Loss in unconsolidated joint venture				(82,981)	-	(82,981)
Total general revenues and transfers				4,185,561	-	4,185,561
Change in net position				475,249	69,846	545,095
Net position-beginning				1,257,184	210,325	1,467,509
Net position-ending				\$ 1,732,433	\$ 280,171	\$ 2,012,604

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2018**

**Exhibit 3**

	Major Funds		Non-major Fund	Total Governmental Funds
	General	State Public School	Federal Grants Fund	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 896,919	\$ -	\$ -	\$ 896,919
Receivables	87,247	-	-	87,247
Security deposit	15,658	-	-	15,658
Prepaid items	32,644	-	-	32,644
<b>Total assets</b>	<b><u>\$ 1,032,468</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,032,468</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 19,104	\$ -	\$ -	\$ 19,104
<b>Total liabilities</b>	<b><u>19,104</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>19,104</u></b>
Fund balances:				
Nonspendable:				
Security deposit	15,658	-	-	15,658
Prepaid items	32,644	-	-	32,644
Unassigned	965,062	-	-	965,062
<b>Total fund balances</b>	<b><u>1,013,364</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>1,013,364</u></b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b><u>\$ 1,032,468</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:				
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.				203,716
Pledges receivable are not current financial resources and therefore are not reported in the funds.				<u>515,443</u>
<b>Net position of governmental activities</b>				<b><u>\$ 1,732,523</u></b>

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2018**

Exhibit 4

	Major Funds		Non-major Fund	Total Governmental Funds
	General	State Public School	Federal Grants Fund	
<b>REVENUES</b>				
State of North Carolina	\$ -	\$ 2,369,391	\$ -	\$ 2,369,391
Boards of Education	1,048,419	-	-	1,048,419
U.S. Government	-	-	63,068	63,068
Contributions and donations	202,198	-	-	202,198
Grants	15,000	-	-	15,000
Field Trips	108,164	-	-	108,164
Other	9,927	-	-	9,927
<b>Total revenues</b>	<b>1,383,708</b>	<b>2,369,391</b>	<b>63,068</b>	<b>3,816,167</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Instructional services	749,551	2,183,956	63,068	2,996,575
Support services	449,020	185,435	-	634,455
<b>Capital outlay:</b>	19,305	-	-	19,305
<b>Total expenditures</b>	<b>1,217,876</b>	<b>2,369,391</b>	<b>63,068</b>	<b>3,650,335</b>
Excess (deficiency) of revenues over expenditures	165,832	-	-	165,832
Net change in fund balance	165,832	-	-	165,832
Fund balances-beginning	847,532	-	-	847,532
Fund balances-ending	<u>\$ 1,013,364</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,013,364</u>

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL**  
**Reconciliation of the Statement of**  
**Revenues, Expenditures, and Changes in Fund Balance of**  
**Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2018**

Exhibit 5

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$ 165,832
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.	(122,955)
The loss in unconsolidated joint venture is not a current financial resource and therefore is not reported in the funds.	(82,981)
Some revenues are reported in the statement of activities do not relate to current financial resources and, therefore, are not reported as revenues in the governmental funds.	<u>515,353</u>
Total changes in net position of governmental activities	<u><u>\$ 475,249</u></u>

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2018**

**Exhibit 6**

	<u>Enterprise Fund</u> <u>Major Fund</u> After <u>School Care</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 280,171
Total assets	<u>\$ 280,171</u>
<b>NET POSITION</b>	
Unrestricted	<u>\$ 280,171</u>
Total net position	<u>\$ 280,171</u>

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2018**

**Exhibit 7**

	Enterprise Fund
	Major Fund
	After
	School Care
<b>OPERATING REVENUES</b>	
Child care fees	\$ 90,358
Total operating revenues	90,358
<b>OPERATING EXPENSES</b>	
Salaries and benefits	20,512
Total operating expenses	20,512
Operating income	69,846
Total net position - beginning	210,325
Total net position - ending	\$ 280,171

The notes to the financial statement are an integral part of this statement.

**THE EXPLORIS SCHOOL**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2018**

**Exhibit 8**

	Enterprise Fund
	Major Fund
	After
	School Care
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 90,358
Cash paid to employees for services	(20,512)
Net cash provided by operating activities	69,846
Net increase in cash and cash equivalents	69,846
Balance-beginning of the year	210,325
Balance-end of the year	\$ 280,171
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 69,846
Changes in assets and liabilities:	
Increase in accounts receivable	-
Increase in accounts payable	-
Net cash provided by operating activities	\$ 69,846

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

1. Summary of Significant Accounting Policies

The accounting policies of The Exploris School (the "School") conform to generally accepted accounting principles ("GAAP") as applicable to governments. Charter schools are established by non-profit entities, such as The Exploris School. Because of the authority of the State Board of Education ("SBE") to terminate, not renew or seek applicants to assume a charter on grounds set out in the North Carolina General Statutes at G.S. 115C-218.95 with all net assets purchased with public funds reverting to a local education agency (G.S. 115C-218.100), the charter schools in North Carolina follow the governmental reporting model as used by local education agencies. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Exploris School is a North Carolina non-profit corporation incorporated in 1996. Pursuant to the provisions of the Charter School Act of 1996 as amended (the "Act"), The Exploris School has been approved to operate The Exploris School, a public school serving approximately 420 students. The School operates under an approved charter received from the SBE and applied for under the provisions of G.S. 115C-218.1. G.S. 115C-218.6(b)(1) states that a charter school shall be subject to the audit requirements adopted by the SBE, which includes the audit requirements established by G.S. 115C-447 of the School Budget and Fiscal Control Act ("SBFCA"), and requires the financial statements to be prepared in accordance with GAAP. The current charter is effective until June 30, 2027, and may be renewed for subsequent periods of ten (10) years unless one of the conditions in G.S. 115C-218.6(b) applies in which case the SBE may renew the charter for a shorter period or not renew the charter.

*Blended Component Unit:* Although legally separate, Exploris School Foundation (the "Foundation") is reported as if it were part of the School. The Foundation was organized for the sole purpose of supporting the School and provides services to entirely benefit the School. The Foundation is reported as part of the general fund of the School. The blended presentation method presents component units as a department or unit of the School, and offers no separate presentation.

B. Basis of Presentation

In accordance with GASB Statement No. 34, Basic Financial Statements – and Management Discussion and Analysis – for State and Local Governments ("GASB 34"), the School is a special-purpose government that is engaged in governmental activities and is not a component unit of another government. Therefore, the financial statements are prepared in the same manner as general purpose governments.

*Government-wide Statements:* The statement of net position and the statement of activities display information about the School. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the School. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the School and for each function of the School's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the School's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The School reports the following major governmental funds:

*General Fund.* The General Fund is the general operating fund of the School. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund.

*State Public School Fund.* The State Public School Fund includes appropriations from the Department of Public Instruction for specific operating needs of the School and is reported as a special revenue fund.

The School reports the following non-major governmental fund:

*Federal Grants Fund.* The Federal Grants Fund is used to account for Federal monies that are paid through the State Department of Public Instruction to the School.

The School reports the following major enterprise fund:

*After School Care.* The After School Care Fund is used to account for activity of the after school care at the School.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting

*Government-wide and Proprietary Fund Financial Statements.* The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the School gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. These could include federal, State, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the School funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the School's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

D. Budgetary Data

Annual budgets are adopted for all funds, on a school-wide basis. All budgets are prepared using the modified accrual basis of accounting.

The governing board has voluntarily established the policy, as a sound business practice, that expenditures may not exceed appropriations, for all the School's funds, based on the adopted budget and subsequent amendments. During the year, several amendments to the original budget were necessary, the effects of which were not material. The budget presented in these financial statements represents the budget of the School at June 30, 2018. All appropriations lapse at year end.

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity

1. Deposits and Investments

All deposits of the School are made in a local bank, whose accounts are FDIC insured. Also, the School may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity (Continued)

2. Cash and Cash Equivalents

The School pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments held with original maturities of three months or less are considered cash and cash equivalents.

3. Prepaid Items

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

4. Accounts Receivable and Pledges Receivable.

Accounts receivable and due from other governments consist of amounts owed to the School from students and local school boards. Pledges receivable consist of amounts pledged to the School by donors. Pledges receivable expected to be collected within one year are recorded at net realizable value. Pledges receivable that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to years in which the promises are received. The School has reviewed the receivable balances and determined the amounts to be fully collectible.

5. Allowance for Doubtful Pledges

An allowance for doubtful pledges is provided for the estimated losses which may be incurred due to uncollectible pledges receivable. The estimated losses are based upon a review of the current status of the existing receivables. The allowance recorded as of June 30, 2018 totaled \$25,000.

6. Capital Assets

The School's donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other capital assets are recorded at original cost. The total of these estimates is not considered large enough that any errors would be material when capital assets are considered as a whole.

It is the policy of the School to capitalize all capital assets costing more than \$2,500 with an estimated useful life of two or more years. In addition, other items which are purchased and used in large quantities such as student desks and office furniture are capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. All depreciable assets are depreciated using the straight-line method of depreciation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity (Continued)

6. Capital Assets (Continued)

Capital assets are depreciated over the following estimated useful lives:

	Years
Leasehold Improvements	5 - 20
Furniture	5 - 7
Electronic Equipment	3 - 5

7. Investment in Joint Venture

The School's investment in joint venture represented its equity interest in the joint venture. The School did not control the major operating and financial policies of the joint venture. The School held a fifteen percent membership interest in the investment and the membership was redeemed during the year ended June 30, 2018.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The School has no items that meet this criterion. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The School has no items that meet this criterion.

9. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position.

In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

10. Net Position/Fund Balances

Net Position

Net position in the government-wide and proprietary fund financial statements are classified as net investment in capital assets, net of related debt; restricted; and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through State statute.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity (Continued)

10. Net Position/Fund Balances (Continued)

Fund Balance

In the governmental fund financial statements, fund balance is composed of three (out of five possible) classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

**Nonspendable** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Security Deposit** – portion of fund balance not available for appropriation because it represents the year-end balance of a security deposit on the school facility, which is not an expendable, available resource.

**Prepaid Items** – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid expense which is not a spendable resource.

**Unassigned** – portion of fund balance that has not been assigned to another fund or restricted, committed, or assigned to specific purposes with the general fund.

The Exploris School has a revenue spending policy that provides guidance for programs with multiple revenue sources. The School will use resources in the following hierarchy: federal funds, State funds, local non-board of education funds, board of education funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balances, assigned fund balance and lastly, unassigned fund balance. The School has the authority to deviate from this policy if it is in the best interest of the School.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity (Continued)

11. Reconciliation Between Government-wide and Fund Statements

The governmental fund balance sheet includes a reconciliation between governmental funds' total fund balance and governmental activities' net position as reported in the government-wide statement of net position. The net adjustment of \$719,159 consists of several elements as follows:

Capital assets used in governmental activities are not financial resources and are therefore not reported in the fund (total capital assets on government-wide statement in governmental activities column).	\$ 959,030
Less accumulated depreciation	(755,314)
Pledges receivable are not current financial resources and therefore are not reported in the funds.	<u>515,443</u>
Total adjustment	<u>\$ 719,159</u>

F. Revenues, Expenditures, and Expenses

1. Funding

The Exploris School is funded by the SBE, receiving (i) an amount equal to the average per pupil allocation for the average daily membership ("ADM") from the local school administrative unit allotments in which the School is located (i.e. Wake County Board of Education) for each child attending the School except for the allocation for children with special needs and (ii) an additional amount for each child attending the School who is a child with special needs (G.S. 115C-218.105(a)). Subject to certain limitations, funds allocated by the SBE may be used to enter into operational and financing leases for real property or mobile classroom units for use as school facilities for charter schools and may be used for payments on loans made to charter schools for facilities, equipment, or operations (G.S. 115C-218.105(b)). Additionally, the School receives for each student an amount equal to the per pupil share of the local current expense fund of the local school administrative unit in which the child resides (G.S. 115C-218.105(c)). Amounts transferred that consist of revenue from supplemental taxes shall be transferred only to a charter school located in the district where the taxes are levied and the child resides. For the fiscal year ended June 30, 2018, The Exploris School received funding from the Boards of Education of Wake County, Johnston County, Durham County, Franklin County, and Harnett County.

Furthermore, The Exploris School has received donations of cash and/or equipment from private organizations. The cash is available to be used throughout the year for the School's various programs and activities.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

1. Summary of Significant Accounting Policies (Continued)

F. Revenues, Expenditures, and Expenses (Continued)

2. Reconciliation Between Government-Wide and Fund Statements

The governmental fund statement of revenues, expenditures, and changes in fund balance is followed by a reconciliation between the change in governmental funds' fund balance and the change in governmental activities' net position as reported on the government-wide statement of activities. The net difference of \$309,417 between the two amounts consists of the following elements:

Capital outlay expenditures recorded in the fund statements but capitalized as assets on the statement of activities.	\$ 19,305
Depreciation expense that is recorded on the statement of activities but not in the fund statements.	(142,260)
The loss of the investment in joint venture is not a current financial resource and therefore is not reported in the funds.	(82,981)
Current year pledge receivable revenues do not relate to current financial resources and, therefore, are not reported as revenues in the funds.	<u>515,353</u>
Total	<u>\$ 309,417</u>

G. Use of Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures.

2. Detail Notes on All Funds

A. Assets

1. Deposits

At June 30, 2018, the School had deposits with banks and savings and loans with a carrying amount of \$1,177,090. The bank balance with the financial institutions was \$1,244,275, of which \$994,275 was not covered by federal depository insurance. The School does not have a deposit policy for custodial credit risk.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

2. Detail Notes on All Funds (Continued)

A. Assets (Continued)

2. Pledges Receivable

Pledges receivable at June 30, 2018 were as follows:

Receivable in less than one year	\$ 123,462
Receivable in more than one year	479,268
Less: discount to present value	(62,287)
Less: allowance for doubtful accounts	<u>(25,000)</u>
Total pledges receivable	<u>\$ 515,443</u>

The discount rate used on long-term pledges receivable was 4.75% at June 30, 2018.

3. Capital Assets

Capital asset activity related to governmental activities for the year ended June 30, 2018 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets being depreciated:				
Furniture	\$ 22,891	\$ -	\$ -	\$ 22,891
Electronic equipment	213,541	-	-	213,541
Leasehold improvements	<u>703,293</u>	<u>19,305</u>	<u>-</u>	<u>722,598</u>
Total capital assets being depreciated	<u>939,725</u>	<u>19,305</u>	<u>-</u>	<u>959,030</u>
Less accumulated depreciation for:				
Furniture	21,085	417	-	21,502
Electronic equipment	208,819	2,597	-	211,416
Leasehold improvements	<u>383,150</u>	<u>139,246</u>	<u>-</u>	<u>522,396</u>
Total accumulated depreciation	<u>613,054</u>	<u>142,260</u>	<u>-</u>	<u>755,314</u>
Total capital assets being depreciated, net	<u>326,671</u>			<u>203,716</u>
Total governmental capital assets, net	<u>\$ 326,671</u>			<u>\$ 203,716</u>

Depreciation expense was charged to governmental functions as follows:

Instructional programs	\$ 141,843
Supporting services	<u>417</u>
	<u>\$ 142,260</u>

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

2. Detail Notes on All Funds (Continued)

A. Assets (Continued)

4. Investment in Unconsolidated Joint Venture

An operating agreement was executed in April 2016 in which the School had a fifteen percent membership and profit and loss allocation interest in Exploris Development Group, LLC (the "Venture"). The entity was formed to hold a parcel of land that was purchased in April 2016, and to develop the property for a permanent downtown Raleigh campus for the School. The investment was recorded at an initial cost of \$70,000 and adjusted for the School's share of earnings, cash contributions and distributions. The School had an ongoing financial interest due to the School's fifteen percent ownership and profit and loss earnings allocation in the entity, but this ownership was redeemed during the year ended June 30, 2018. The investment balance at June 30, 2018 totaled \$0 and a loss on investment of \$82,891. Financial information for Exploris Development Group can be obtained from their administrative offices in Raleigh, North Carolina.

B. Liabilities

1. Pension Plan Obligations

The School does not participate in the North Carolina Teachers' and State Employees' Retirement System. The School has established a deferred compensation plan. Under the plan, all full-time employees who meet certain eligibility requirements can participate. The School matches 50% of employee contributions up to 4%. The expenses of the Plan totaled \$36,448, \$24,955, and \$23,858 for the years ended June 30, 2018, 2017, and 2016, respectively.

2. Risk Management

The School is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School maintains general liability and errors and omissions insurance coverage of \$1 million per occurrence with a commercial carrier.

The School has obtained a major medical insurance policy for its personnel through a commercial insurer. Through the plan, permanent, full-time employees of the School are eligible to receive health care benefits.

The School carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and claims have not exceeded coverage in any of the past two fiscal years.

The School has elected not to carry flood insurance because the School is not in an area of the state that has been mapped and designated an "A" area (an area close to a river, lake or stream) by the Federal Emergency Management Agency.

The School carries fidelity bond coverage in the amount of \$250,000 for all its employees.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

3. Claims and Judgements

At June 30, 2018, the School was a defendant to a lawsuit. In the opinion of the School's management and the School's attorney, the ultimate effect of this legal matter will not have a material adverse effect on the School's financial position.

4. Long-Term Obligations

Operating Leases

Effective July 2009, the School entered into an operating lease for the school building. The lease required monthly payments of \$15,592 for July and August 2017. The lease increases annually based on either the CPI or the increase in per pupil allotment. Effective September 2017, the lease requires \$15,842 per month. The lease expires August 31, 2024.

In July 2017, the School entered into a ground lease agreement which matures in August 2019 and requires monthly payments of \$5,000 until September 2018 and which time monthly payments will be \$5,150. The School also has a modular lease agreement which matures in December 2018 and requires monthly payments of \$7,524. Additionally, the School leased various equipment under lease agreements that expired during the current fiscal year. Monthly payments ranged from \$320 to \$620.

Rent expense for the year ended June 30, 2018 under noncancelable lease agreements totaled \$346,412.

The following is a schedule of the future minimum lease payments as of June 30:

<u>Year Ending June 30,</u>	
2019	\$ 300,677
2020	208,214
2021	201,872
2022	205,909
2023	210,028
2024-2025	<u>250,050</u>
	<u>\$ 1,376,750</u>

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

4. Long-Term Obligations (Continued)

Development Agreement

Effective December 2017, the School entered into an operating lease agreement to lease a school building currently in construction. The lease payments are to commence the later of August 31, 2019, or the first full day of school after the earliest summer, fall, winter or spring break following the date a tenant certificate of occupancy is issued. This date is expected to be January 2021 and require monthly payments of \$76,367 the first year and \$94,083 thereafter for thirty years after the date of commencement. The annual rent will be adjusted at the commencement of the third year of the term and each year thereafter, by the same percentage as the North Carolina state allotment for Average Daily Membership ("ADM"). As part of the lease agreement, the landlord shall bear all costs of tenant improvements up to but not to exceed \$30 per square foot. The School will bear all improvement costs in excess of such allowance and will be paid via a promissory note with the Landlord in an amount up to \$2,500,000.

The following is a schedule of the future minimum lease payments under this lease as of June 30:

<u>Year Ending June 30,</u>	
2019	\$ -
2020	-
2021	458,200
2022	1,022,700
2023	1,129,000
2024-2050	<u>31,047,500</u>
	<u>\$ 33,657,400</u>

The School also entered into a donation agreement with the developer whereas the developer will make a donation to the School for the exclusive restricted purpose of paying for the interior space upfits of the building. The developer will match funds raised by the School for upfit through July 1, 2019 on a dollar-for-dollar basis, up to the amount of \$1,000,000. A receivable of \$479,268 was recorded as of June 30, 2018 for the current year match owed from the developer and is included in pledges receivable.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

2. Detail Notes on All Funds (Continued)

C. Fund Balance

The Exploris School has a revenue spending policy that provides policy for programs with multiple revenue sources. The School will use resources in the following hierarchy: federal funds, State funds, local non-board of education funds, The Exploris School funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The School has the authority to deviate from this policy if it is in the best interest of the School.

The following schedule provides information on the portion of general fund balance that is available for appropriation:

Total fund balance	\$ 1,013,364
Less:	
Prepaid Items	(32,644)
Security Deposit	<u>(15,658)</u>
Remaining fund balance	<u>\$ 965,062</u>

3. Related Party Transactions

Two employees of the School served as members of the governing board of The Exploris School. For the fiscal year ended June 30, 2018, these employees were paid salaries of \$100,000 and \$62,304 from the State Public School Fund.

4. Claims and Judgments

At June 30, 2018, the School was a defendant to a lawsuit. In the opinion of the School's management and the School's attorney, the ultimate effect of this legal matter will not have a material adverse effect on the School's financial position.

5. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The School has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

**THE EXPLORIS SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2018

6. Significant Effects of Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through November 14, 2018, which is the date the financial statements were available to be issued.

**THE EXPLORIS SCHOOL**  
**All Governmental Fund Types**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2018**

Statement 1

	2018		Favorable (Unfavorable) Variance
	Final Budget	Actual	
Revenues:			
State of North Carolina	\$ 2,362,079	\$ 2,369,391	\$ 7,312
Board(s) of Education:			
Wake County	935,000	1,011,237	76,237
Johnston County	27,229	24,975	(2,254)
Durham County	12,353	10,122	(2,231)
Franklin County	-	1,745	1,745
Harnett County	3,000	340	(2,660)
U.S. Government	72,543	63,068	(9,475)
Contributions and donations	-	202,198	202,198
Grants	30,000	15,000	(15,000)
Field Trips	1,585	108,164	106,579
Other	6,000	9,927	3,927
	<u>3,449,789</u>	<u>3,816,167</u>	<u>366,378</u>
Total			
Expenditures:			
Current:			
Instructional services:			
Regular programs	-	2,067,485	-
Special programs	-	310,710	-
Alternative programs	-	83,960	-
School leadership programs	-	433,303	-
Co-Curricular programs	-	2,269	-
School based support programs	-	98,848	-
	<u>2,971,342</u>	<u>2,996,575</u>	<u>(25,233)</u>
Total instructional programs			
Support services:			
Curriculum Support	-	25,817	-
Technology	-	65,340	-
Operational support	-	64,590	-
Finance and human resources	-	84,211	-
Policy, leadership and public relations	-	394,497	-
	<u>532,462</u>	<u>634,455</u>	<u>(101,993)</u>
Total support services			
Total expenditures	<u>3,503,804</u>	<u>3,631,030</u>	<u>(127,226)</u>

**THE EXPLORIS SCHOOL**  
**All Governmental Fund Types**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2018**  
**(Continued)**

Statement 1

	2018		
	Final Budget	Actual	Favorable (Unfavorable) Variance
Capital outlay	\$ -	\$ 19,305	\$ (19,305)
Other financing sources (uses):			
Fund balance appropriated	54,015	-	(54,015)
Total other financing sources and (uses)	54,015	-	(54,015)
Excess of revenue over expenditures	\$ -	\$ 165,832	\$ 165,832

**THE EXPLORIS SCHOOL**  
**Proprietary Fund Types**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Non - GAAP)**  
**For the Fiscal Year Ended June 30, 2018**

**Statement 2**

	2018		Favorable (Unfavorable) Variance
	Final Budget	Actual	
Revenues:			
Child care fees	\$ 76,705	\$ 90,358	\$ 13,653
Total revenues	<u>76,705</u>	<u>90,358</u>	<u>13,653</u>
Expenditures:			
Salaries and benefits	16,468	20,512	(4,044)
Total expenditures	<u>16,468</u>	<u>20,512</u>	<u>(4,044)</u>
Revenues over expenditures	<u>60,237</u>	<u>69,846</u>	<u>9,609</u>
Other financing sources (uses):			
Fund balance appropriated	(60,237)	-	60,237
Total other financing sources (uses)	<u>(60,237)</u>	<u>-</u>	<u>60,237</u>
Revenues and other sources over expenditures	<u>\$ -</u>	69,846	<u>\$ 69,846</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Change in net assets		<u>\$ 69,846</u>	

Caroline P. Abbott  
Jeffrey A. Brovet  
Thomas R. Crawford  
Amanda P. Habich  
Kristen T. Hoyle



B42  
David A. Johnson  
Chris P. Judy  
Geri H. Lail  
James K. Tiller  
David W. Tucker

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
The Exploris School  
Raleigh, North Carolina

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, the business-type activities, each major fund, and the aggregate remaining fund information of The Exploris School as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise The Exploris School's basic financial statements, and have issued our report thereon dated November 14, 2018.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered The Exploris School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Exploris School's internal control. Accordingly, we do not express an opinion on the effectiveness of The Exploris School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 The Exploris School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*Thomas, Judy & Tucker, P.A.*

November 14, 2018

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE  
AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT**

To the Board of Directors  
The Exploris School  
Raleigh, North Carolina

***Report on Compliance for Each Major State Program***

We have audited The Exploris School's compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of The Exploris School's major State programs for the year ended June 30, 2018. The Exploris School's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of The Exploris School's major State 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 applicable sections of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, Uniform Guidance, and the State Single Audit Implementation Act 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 State program occurred. An audit includes examining, on a test basis, evidence about The Exploris 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 State program. However, our audit does not provide a legal determination of The Exploris School's compliance.

***Opinion on Each Major State Program***

In our opinion, The Exploris School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2018.

### **Report on Internal Control over Compliance**

Management of The Exploris 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 Exploris School's internal control over compliance with the types of requirements that could have a direct and material effect on each major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Exploris School's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a State 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 State 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 State 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 significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Thomas, Judy & Tucker, P.A.*

November 14, 2018

**THE EXPLORIS SCHOOL**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
For the Fiscal Year Ended June 30, 2018

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness identified?  Yes  No
- Significant deficiencies?  Yes  None Reported
- Noncompliance material to financial statements noted?  Yes  No

State Awards

Internal control over major State programs:

- Material weakness identified?  Yes  No
- Significant deficiency identified that is not considered to be a material weakness?  Yes  None Reported

Type of auditors' report issued on compliance for major State programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?  Yes  No

Identification of major State programs:

Program Name  
State Public School Fund

SECTION II – FINANCIAL STATEMENT FINDINGS

No Findings

**THE EXPLORIS SCHOOL**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)  
For the Fiscal Year Ended June 30, 2018

SECTION III – STATE AWARD FINDINGS AND QUESTIONED COSTS

None.

**THE EXPLORIS SCHOOL**  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
For the Fiscal Year Ended June 30, 2018

**Finding 2017-1**

Eligibility

Status: The School implemented policies and monitored policies to ensure that all exceptional children have a DEC 6 or DEC 7 form kept on file.

**THE EXPLORIS SCHOOL**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
For the Year Ended June 30, 2018

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Expendi- tures</u>
<b>Federal Grants:</b>			
<b>Cash Assistance:</b>			
<u>U.S. Department of Education</u>			
Passed-through the N.C. Department of Public Instruction:			
Improving America School Act of 1994 (IASA)			
<u>IDEA VI Cluster</u>			
IDEA VI-B	84.027	PRC 060	\$ 63,068
Total U.S. Department of Education			<u>63,068</u>
Total Federal Assistance			<u>63,068</u>
<b>State Grants:</b>			
<b>Cash Assistance:</b>			
N.C. Department of Public Instruction:			
State Public School Fund - Charter Schools	xxxx	PRC 036	2,338,233
Summer Reading	xxxx	PRC 016	20,447
State Bonus	xxxx	PRC 048	10,711
Total N.C. Department of Public Instruction			<u>2,369,391</u>
Total State Assistance			<u>2,369,391</u>
Total Federal and State Assistance			<u>\$ 2,432,459</u>

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of the School and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited. The Exploris School has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

October 23, 2017

To the Board of Directors  
The Exploris School

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Exploris School (the "School") for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 30, 2017. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by The Exploris School are described in Note 1 to the financial statements. The application of existing policies was not changed during 2017. We noted no transactions entered into by The Exploris School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the School's financial statements were:

Management's estimate of the depreciable lives is based on the estimated useful lives of the capital assets. We evaluated the key factors and assumptions used to develop the depreciable lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the carrying value of the School's investment in the unconsolidated joint venture is based upon certain estimates used to prepare the financial statements of the joint venture. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

October 23, 2017  
Page 2 of 3

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 23, 2017.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to The Exploris School's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as The Exploris School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Review of Bank Reconciliations

We noted that the bank accounts are formally reconciled monthly to transactions recorded in the accounting system. However, we noted that this reconciliation has no indication of review or approval by another member of management. We recommend that another member of management initial and date the reconciliation at the time of review. This will ensure that there is adequate support for segregation of duties.

### Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

October 23, 2017  
Page 3 of 3

We were engaged to report on the budgetary schedules and the schedule of expenditures of federal and State awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of The Exploris School and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Thomas, Judy & Tucker, P.A." The signature is written in black ink and is positioned above the typed name of the firm.

Thomas Judy & Tucker, P.A.

Client: **59120 - The Exploris School**  
 Engagement: **AUD - 6/30/2017**  
 Period Ending: **6/30/2017**  
 Workpaper: **A11.02 - Passed Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Passed Journal Entries JE # 9</b>				
		<b>H01</b>		
To post the effect of a PY PAJE on the current year balance				
1.6940.036.311.000.000.00	Contracted General Administrat		10,888.00	
2.2960.000.000.000.000.00	Fund Equity			10,888.00
<b>Total</b>			<u><u>10,888.00</u></u>	<u><u>10,888.00</u></u>

**THE EXPLORIS SCHOOL  
RALEIGH, NORTH CAROLINA**

Financial Statements  
Year Ended June 30, 2017

**THE EXPLORIS SCHOOL**  
**Table of Contents**  
**As of June 30, 2017**

<u>Exhibit</u>		<u>Page</u>
	Financial Section:	
	Independent Auditors' Report	1 - 2
	Management's Discussion and Analysis	3 - 10
	Basic Financial Statements:	
	Government-wide Financial Statements:	
1	Statement of Net Position	11
2	Statement of Activities	12
	Fund Financial Statements:	
3	Balance Sheet – Governmental Funds	13
	Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	13
4	Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	14
5	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	15
6	Statement of Net Position – Proprietary Funds	16
7	Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	17
8	Statement of Cash Flows – Proprietary Funds	18
	Notes to the Financial Statements	19 - 30
	<u>Statement</u>	
	Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
1	All Governmental Fund Types	31 - 32
2	Proprietary Fund Types	33
	Compliance Section:	
	Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	34 - 35
	Independent Auditors' Report on Compliance with Requirements Applicable to each Major State Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance and the State Single Audit Implementation Act	36 - 38
	Schedule of Findings and Questioned Costs	39 - 40
	Corrective Action Plan	41
	Summary Schedule of Prior Audit Findings	42
	Schedule of Expenditures of Federal and State Awards	43

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Exploris School  
Raleigh, North Carolina

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Exploris School, North Carolina as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise The Exploris 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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

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

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise The Exploris School, North Carolina's basic financial statements. The budgetary schedules as well as the accompanying Schedule of Expenditures of Federal and State Awards required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Implementation Act*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary schedules, as well as the accompanying Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary schedules, and the accompanying Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2017 on our consideration of The Exploris 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 the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Exploris School's internal control over financial reporting and compliance.



October 23, 2017

**Management's Discussion and Analysis**  
**The Exploris School**  
**June 30, 2017**

As management of The Exploris School, we offer readers of The Exploris School's audited financial statements this narrative overview and analysis of the financial activities of The Exploris School for the fiscal year ended June 30, 2017. We encourage readers to read the information presented herein in conjunction with additional information that we have furnished in the School's financial statements, which follow this narrative.

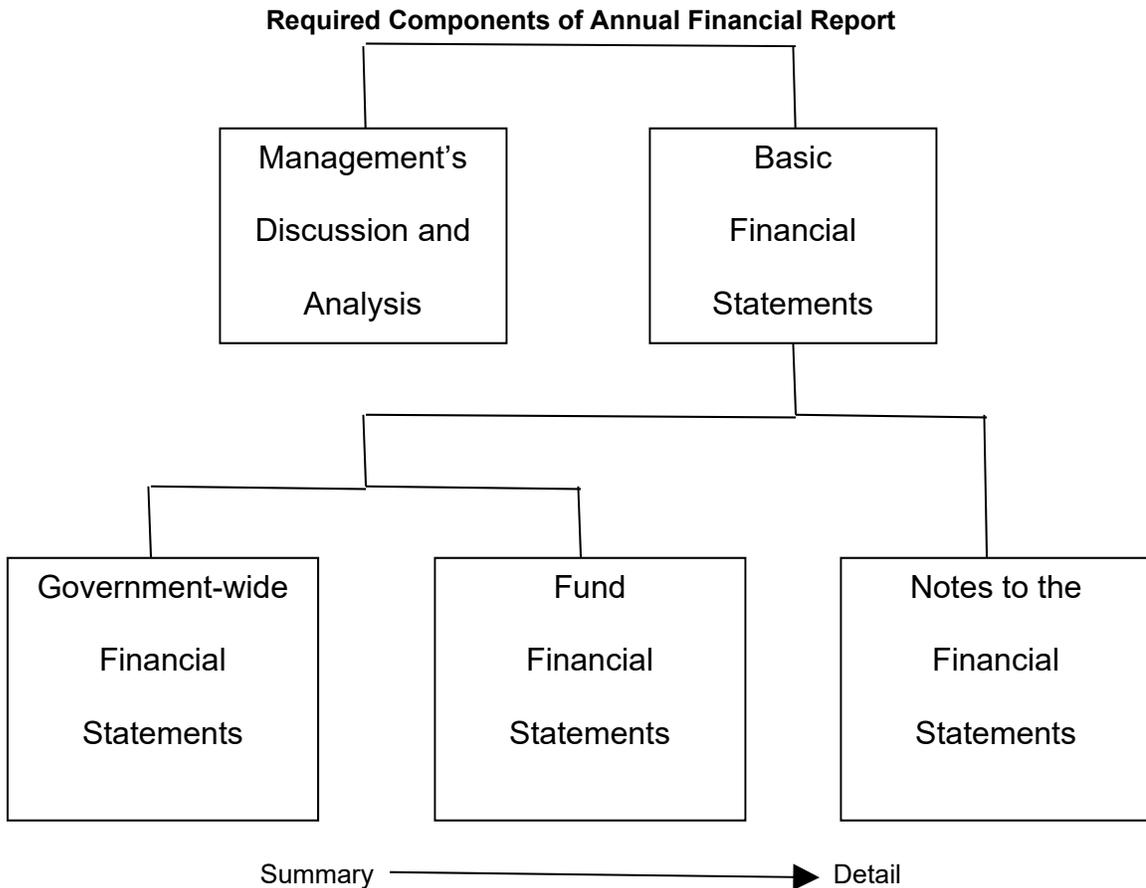
**Financial Highlights**

- The assets of The Exploris School exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$1,467,509 (*net position*).
- The School's total net assets increased by \$243,449.
- As of the close of the current fiscal year, The Exploris School's governmental funds reported combined ending fund balances of \$847,532.
- Enrollment has grown at the School. In 2013-2014 the State funded Average Daily Membership (ADM) was 207. In 2014-2015 it was 412, in 2015-2016, it grew to 421 and in 2016-2017 it was 419.
- The Exploris School's total debt, which includes a note payable, decreased by \$157,427 during the current fiscal year.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to The Exploris School's basic financial statements. The School's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two distinct financial perspectives of the School through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of The Exploris School.

Figure 1



### Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the School's financial standing.

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual segments of the School's government and are more detailed than the government-wide financial statements. There are two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the proprietary fund statements.

Immediately following the fund financial statements are the **Notes to the Financial Statements** (i.e. "Notes"). The Notes offer a detailed explanation of the data contained in those statements. Next, **supplemental information** is provided to show details about the School's funds. Budgetary information for the School can also be found in this section of the statements.

**Management's Discussion and Analysis  
The Exploris School  
June 30, 2017**

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the School's finances, similar in format to the financial statements of a private-sector business. The government-wide statements provide short and long-term information about the School's financial status, as a whole.

The two government-wide statements report the School's net position and how they have changed. Net position equals the difference between the School's total assets and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the School's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the School's basic functions such as instructional services and business services. These functions are funded almost entirely through state, county, and federal educational funds. The business-type activities are those services that the School charges its students and other customers. These include the School Food Service program carried out by The Exploris School.

The government-wide financial statements are enumerated in Exhibits 1 and 2 of this report.

**Fund Financial Statements**

The fund financial statements provide a more detailed look at the School's most significant activities. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Exploris School, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related statutory requirements, such as the North Carolina General Statutes or the School's budget ordinance, where and when applicable. All of the funds of The Exploris School can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds** – Governmental funds are used to account for functions reported as governmental activities in the government-wide financial statements. Most of the School's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and monies remaining at year-end that will be available for spending in the next fiscal year. Governmental funds are reported using the modified accrual accounting method, which provides a short-term spending focus. The governmental fund financial statements assist the reader in determining whether there has been an increase or a decrease in the financial resources available to finance the School's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is an integral part of the fund financial statements.

**Management's Discussion and Analysis  
The Exploris School  
June 30, 2017**

Although not compelled or required to do so by federal, state, or local law, The Exploris School has elected to adopt an annual budget. Since the budget is not required by law, the budgetary comparison statements are not included in the basic financial statements, but are part of the supplemental statements and schedules following the notes. The budget incorporates input from the faculty, management, and the Board of Directors of the School and specifies which activities will be pursued and which services the School will provide during the year. It also authorizes the School to obtain funds from identified sources to finance current period activities. The budgetary statement demonstrates how well the School has complied with the budget ordinance and whether or not the School has succeeded in providing the services as originally planned.

**Proprietary Funds** – The Exploris School has two proprietary funds, which are enterprise funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Exploris School uses enterprise funds to account for its After School Care functions.

**Notes to the Financial Statements** – The notes provide additional information essential to facilitating a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as one useful indicator of a school's financial condition. The assets of The Exploris School exceeded liabilities by \$1,467,509 as of June 30, 2017. As of June 30, 2016, the net position of The Exploris School stood at \$1,224,060. The School's net position increased by \$243,449 for the fiscal year ended June 30, 2017, compared to an increase of \$394,469 in 2016. The amount of \$326,671 reflects the School's investment in capital assets (e.g. leasehold improvements, furniture, and electronic equipment), less any related debt still outstanding that was issued to acquire those items. The Exploris School uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although The Exploris School's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of The Exploris School's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,140,838 is unrestricted. In 2016, the net investment in capital assets was \$313,758, with unrestricted net position standing at \$910,302.

**Management's Discussion and Analysis  
The Exploris School  
June 30, 2017**

**Figure 2  
The Exploris School's Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 945,364	\$ 778,588	\$ 210,325	\$ 146,610	\$ 1,155,689	\$ 925,198
Capital assets, net of depreciation	326,671	471,185	-	-	326,671	471,185
Total assets	1,272,035	1,249,773	210,325	146,610	1,482,360	1,396,383
Other liabilities	-	1,576	-	-	-	1,576
Long-term liabilities outstanding	-	157,427	-	-	-	157,427
Total liabilities	-	159,003	-	-	-	159,003
Deferred inflows of resources	14,851	13,320	-	-	14,851	13,320
Net position:						
Net investment in capital assets	326,671	313,758	-	-	326,671	313,758
Unrestricted	930,513	763,692	210,325	146,610	1,140,838	910,302
Total net position	\$ 1,257,184	\$ 1,077,450	\$ 210,325	\$ 146,610	\$ 1,467,509	\$ 1,224,060

Several aspects of the School's financial operations positively influenced the total unrestricted governmental net assets:

- The School adopted an annual budget. The School's performance was measured using this budget on a monthly basis, allowing changes to be made in spending as needed to remain within the confines of the budget.
- The School applied for and was awarded federal grants to assist with meeting the educational needs of the student population.

**Management's Discussion and Analysis  
The Exploris School  
June 30, 2017**

Figure 3

**The Exploris School's Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Charges for services	\$ -	\$ -	\$ 81,080	\$ 71,471	\$ 81,080	\$ 71,471
Operating grants and contributions	72,634	80,737	-	-	72,634	80,737
County, State, and federal Funds	3,346,083	3,240,502	-	-	3,346,083	3,240,502
Donations and other revenues	319,554	329,149	-	-	319,554	329,149
<b>Total revenues</b>	<b>3,738,271</b>	<b>3,650,388</b>	<b>81,080</b>	<b>71,471</b>	<b>3,819,351</b>	<b>3,721,859</b>
Instructional programs	3,066,506	2,713,254	-	-	3,066,506	2,713,254
Support services	487,365	562,949	-	-	487,365	562,949
Child care	-	-	17,365	39,628	17,365	39,628
Interest on long-term debt	4,666	11,559	-	-	4,666	11,559
<b>Total expenses</b>	<b>3,558,537</b>	<b>3,287,762</b>	<b>17,365</b>	<b>39,628</b>	<b>3,575,902</b>	<b>3,327,390</b>
<b>Increase (decrease) in net assets</b>	<b>179,734</b>	<b>362,626</b>	<b>63,715</b>	<b>31,843</b>	<b>243,449</b>	<b>394,469</b>
<b>Net assets, July 1</b>	<b>1,077,450</b>	<b>714,824</b>	<b>146,610</b>	<b>114,767</b>	<b>1,224,060</b>	<b>829,591</b>
<b>Net assets, June 30</b>	<b>\$ 1,257,184</b>	<b>\$1,077,450</b>	<b>\$ 210,325</b>	<b>\$ 146,610</b>	<b>\$1,467,509</b>	<b>\$ 1,224,060</b>

**Governmental activities.** Governmental activities increased the School's net position by \$179,734.

**Business-type activities.** Business-type activities increased The Exploris School's net position by \$63,715.

By adopting a budget for the enterprise funds that comprise the business-type activities, the Board is able to monitor the School's revenues and expenditures and adjust their estimates as needed during the year.

**Management's Discussion and Analysis**  
**The Exploris School**  
**June 30, 2017**

**Financial Analysis of the School's Funds**

As noted earlier, The Exploris School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of The Exploris School's governmental funds is to provide information on near-term inflows, outflows, and balances of usable financial resources. Such information is useful in assessing The Exploris School's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of The Exploris School. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$522,918, while total fund balance reached \$847,532. \$301,706 was designated by the board of directors as of June 30, 2017 and is reported as assigned fund balance within the general fund.

**Proprietary Funds.** The School's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the After School Care Fund at the end of the fiscal year amounted to \$210,325.

**Capital Asset and Debt Administration**

**Capital assets.** The Exploris School's investment in capital assets for its governmental activities as of June 30, 2017, totals \$326,671 (net of accumulated depreciation). Capital assets include furniture, electronic equipment, and leasehold improvements.

**Figure 4**  
**The Exploris School's Capital Assets**  
 (net of depreciation)

	<b>Governmental Activities</b>	
	<b>2017</b>	<b>2016</b>
<b>Construction In Progress</b>	\$ -	\$ 6,800
<b>Furniture</b>	1,806	2,433
<b>Electronic equipment</b>	4,722	9,363
<b>Leasehold improvements</b>	320,143	452,589
<b>Total</b>	<b>\$ 326,671</b>	<b>\$ 471,185</b>

Additional information about the School's capital assets can be found in Note 2.A.2. of the Basic Financial Statements.

**Long-term Debt.** The Exploris School's total debt decreased by \$157,427 during the year. As of June 30, 2017, The Exploris School did not have any outstanding debt.

**Management's Discussion and Analysis  
The Exploris School  
June 30, 2017**

**Economic Factors**

The following key economic indicators reflect the growth and prosperity of the School:

- The LEA in which the school resides has experienced tremendous growth, which should provide a steady stream of students into the School's limited available space.
- The State of North Carolina per pupil funding for the 2016-2017 school year, increased by \$83.09 which equated to a 1.73% increase from the prior year.
- The downtown area of Raleigh continues to be revitalized bringing many new families into the new homes and apartments that surround the School which will continue to provide a steady stream of new students that can potentially enroll at Exploris.

**Requests for Information**

This report is designed to provide an overview of the School's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Board Chair, The Exploris School, 401 Hillsborough Street, Raleigh, North Carolina 27603, telephone (919) 715-3690.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Net Position**  
**June 30, 2017**

**Exhibit 1**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 837,046	\$ 210,325	\$ 1,047,371
Receivables	2,429	-	2,429
Security deposit	15,658	-	15,658
Prepaid items	7,250	-	7,250
Investment in unconsolidated joint venture	82,981	-	82,981
Capital assets (Note 1):			
Other capital assets, net of depreciation	326,671	-	326,671
 Total assets	 1,272,035	 210,325	 1,482,360
<b>DEFERRED INFLOWS OF RESOURCES</b>	14,851	-	14,851
<b>NET POSITION</b>			
Net investment in capital assets	326,671	-	326,671
Unrestricted	930,513	210,325	1,140,838
 Total net position	 \$ 1,257,184	 \$ 210,325	 \$ 1,467,509

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Activities**  
**For the Year Ended June 30, 2017**

Exhibit 2

<b>Functions/Programs</b>	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>						
Governmental activities:						
Instructional services	\$ 3,066,506	\$ -	\$ 72,634	\$ (2,993,872)	\$ -	\$ (2,993,872)
System-wide support services	487,365	-	-	(487,365)	-	(487,365)
Interest on long-term debt	4,666	-	-	(4,666)	-	(4,666)
Total governmental activities	3,558,537	-	72,634	(3,485,903)	-	(3,485,903)
Business-type activities:						
Child care	17,365	81,080	-	-	63,715	63,715
Total business-type activities	17,365	81,080	-	-	63,715	63,715
Total primary government	\$ 3,575,902	\$ 81,080	\$ 72,634	(3,485,903)	63,715	(3,422,188)
General revenues:						
Unrestricted county appropriations				1,007,410	-	1,007,410
Unrestricted State appropriations				2,338,673	-	2,338,673
Contributions and donations				103,401	-	103,401
Grants				53,469	-	53,469
Field Trips				104,790	-	104,790
Miscellaneous, unrestricted				44,913	-	44,913
Earnings in unconsolidated joint venture				12,981	-	12,981
Total general revenues and transfers				3,665,637	-	3,665,637
Change in net position				179,734	63,715	243,449
Net position-beginning				1,077,450	146,610	1,224,060
Net position-ending				\$ 1,257,184	\$ 210,325	\$ 1,467,509

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2017**

Exhibit 3

	Major Funds		Non-major Fund	Total Governmental Funds
	General	State Public School	Federal Grants Fund	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 837,046	\$ -	\$ -	\$ 837,046
Receivables	2,429	-	-	2,429
Security deposit	15,658	-	-	15,658
Prepaid items	7,250	-	-	7,250
	<u>\$ 862,383</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 862,383</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	\$ 14,851	\$ -	\$ -	\$ 14,851
Fund balances:				
Assigned	301,706	-	-	301,706
Nonspendable:				
Security deposit	15,658	-	-	15,658
Prepaid items	7,250	-	-	7,250
Unassigned	522,918	-	-	522,918
	<u>847,532</u>	<u>-</u>	<u>-</u>	<u>847,532</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 862,383</u>	<u>\$ -</u>	<u>\$ -</u>	
				Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:
				Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.
				326,671
				Other long-term assets are not available to pay for current period expenditures and therefore, are not reported in the funds.
				82,981
				<u>\$ 1,257,184</u>

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2017**

Exhibit 4

	Major Funds		Non-major Fund	Total Governmental Funds
	General	State Public School	Federal Grants Fund	
<b>REVENUES</b>				
State of North Carolina	\$ -	\$ 2,338,673	\$ -	\$ 2,338,673
Boards of Education	1,007,410	-	-	1,007,410
U.S. Government	-	-	72,634	72,634
Contributions and donations	103,401	-	-	103,401
Grants	53,469	-	-	53,469
Field Trips	104,790	-	-	104,790
Other	44,913	-	-	44,913
<b>Total revenues</b>	<b>1,313,983</b>	<b>2,338,673</b>	<b>72,634</b>	<b>3,725,290</b>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Instructional services	511,698	2,338,289	72,634	2,922,621
Support services	486,352	384	-	486,736
<b>Debt service:</b>				
Principal	157,427	-	-	157,427
Interest and other charges	4,666	-	-	4,666
<b>Total expenditures</b>	<b>1,160,143</b>	<b>2,338,673</b>	<b>72,634</b>	<b>3,571,450</b>
Excess (deficiency) of revenues over expenditures	153,840	-	-	153,840
<b>Net change in fund balance</b>	<b>153,840</b>	<b>-</b>	<b>-</b>	<b>153,840</b>
Fund balances-beginning	693,692	-	-	693,692
Fund balances-ending	<u>\$ 847,532</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 847,532</u>

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Reconciliation of the Statement of**  
**Revenues, Expenditures, and Changes in Fund Balance of**  
**Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2017**

Exhibit 5

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$ 153,840
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.	(144,514)
The earnings in unconsolidated joint venture is not a current financial resource and therefore is not reported in the funds.	12,981
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<u>157,427</u>
Total changes in net position of governmental activities	<u><u>\$ 179,734</u></u>

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2017**

**Exhibit 6**

	<u>Enterprise Fund</u> <u>Major Fund</u> After <u>School Care</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 210,325
Total assets	\$ 210,325
<b>NET POSITION</b>	
Unrestricted	\$ 210,325
Total net position	\$ 210,325

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2017**

**Exhibit 7**

	Enterprise Fund
	Major Fund
	After
	School Care
<b>OPERATING REVENUES</b>	
Child care fees	\$ 81,080
Total operating revenues	81,080
<b>OPERATING EXPENSES</b>	
Salaries and benefits	17,365
Total operating expenses	17,365
Operating income	63,715
Total net position - beginning	146,610
Total net position - ending	\$ 210,325

The notes to the financial statement are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2017**

**Exhibit 8**

	Enterprise Fund
	Major Fund
	After
	School Care
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 81,080
Cash paid to employees for services	(17,365)
Net cash provided by operating activities	63,715
Net increase in cash and cash equivalents	63,715
Balance-beginning of the year	146,610
Balance-end of the year	\$ 210,325
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 63,715
Changes in assets and liabilities:	
Increase in accounts receivable	-
Increase in accounts payable	-
Net cash provided by operating activities	\$ 63,715

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

1. Summary of Significant Accounting Policies

The accounting policies of The Exploris School, North Carolina (School) conform to generally accepted accounting principles (GAAP) as applicable to governments. Charter schools are established by non-profit entities. Because of the authority of the State Board of Education (SBE) to unilaterally abolish a school with all the assets reverting to a local education agency, the charter schools in North Carolina follow the governmental reporting model, as used by local education agencies. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Exploris School, North Carolina is a public school operated by a non-profit corporation, serving approximately 419 students. The School operates under an approved charter received from the SBE, and applied for under the provisions of General Statute (G.S.) 115C-238.29B. G.S. 115C-238.29F(f)(1) states that a charter school shall be subject to the audit requirements adopted by the SBE, which includes the audit requirements established by G.S. 115C-447 of the School Budget and Fiscal Control Act (SBFCA). G.S. 115C-447 also requires financial statements to be prepared in accordance with GAAP.

B. Basis of Presentation

*Government-wide Statements:* The statement of net position and the statement of activities display information about the School. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the School. Governmental activities generally are financed through intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the School and for each function of the School's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the School's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

The School reports the following major governmental funds:

*General Fund.* The General Fund is the general operating fund of the School. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund.

*State Public School Fund.* The State Public School Fund includes appropriations from the Department of Public Instruction for specific operating needs of the School and is reported as a special revenue fund.

The School reports the following major enterprise fund:

*After School Care.* The After School Care Fund is used to account for activity of the after school care at the School.

C. Measurement Focus and Basis of Accounting

*Government-wide and Proprietary Fund Financial Statements.* The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the School gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. These could include federal, State, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the School funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the School's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

1. Summary of Significant Accounting Policies (Continued)

D. Budgetary Data

Annual budgets are adopted for all funds, on a school-wide basis. All budgets are prepared using the modified accrual basis of accounting.

The governing board has voluntarily established the policy, as a sound business practice, that expenditures may not exceed appropriations, for all the School's funds, based on the adopted budget and subsequent amendments. During the year, several amendments to the original budget were necessary, the effects of which were not material. The budget presented in these financial statements represents the budget of the School at June 30, 2017. All appropriations lapse at year end.

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity

1. Deposits and Investments

All deposits of the School are made in a local bank, whose accounts are FDIC insured. Also, the School may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

2. Cash and Cash Equivalents

The School pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments held with original maturities of three months or less are considered cash and cash equivalents.

3. Prepaid Items

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

4. Capital Assets

The School's donated capital assets received prior to June 30, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015 are recorded at acquisition value. All other capital assets are recorded at original cost. The total of these estimates is not considered large enough that any errors would be material when capital assets are considered as a whole.

It is the policy of the School to capitalize all capital assets costing more than \$2,500 with an estimated useful life of two or more years. In addition, other items which are purchased and used in large quantities such as student desks and office furniture are capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. All depreciable assets are depreciated using the straight-line method of depreciation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity (Continued)

4. Capital Assets (Continued)

Capital assets are depreciated over the following estimated useful lives:

	<u>Years</u>
Leasehold Improvements	5 - 20
Furniture	5 - 7
Electronic Equipment	3 - 5

5. Investment in Joint Venture

The School's investment in joint venture represents its equity interest in the joint venture. The School does not control the major operating and financial policies of the joint venture. The School holds a fifteen percent membership interest in the investment.

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The School has no items that meet this criterion. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The School has only one item that meets the criterion for this category – deferred revenue.

7. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position.

In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

8. Net Position/Fund Balances

Net Position

Net position in the government-wide and proprietary fund financial statements are classified as net investment in capital assets, net of related debt; restricted; and unrestricted. Restricted net position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through State statute.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity (Continued)

8. Net Position/Fund Balances (Continued)

Fund Balance

In the governmental fund financial statements, fund balance is composed of three (out of five possible) classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

**Nonspendable Fund Balance** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Security Deposit** – portion of fund balance not available for appropriation because it represents the year-end balance of a security deposit on the school facility, which is not an expendable, available resource.

**Prepaid Items** – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid expense which is not a spendable resource.

**Assigned Fund Balance** – portion of fund balance that the School intends to use for specific purposes.

**Unassigned Fund Balance** – portion of fund balance that has not been assigned to another fund or restricted, committed, or assigned to specific purposes with the general fund.

The Exploris School has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: federal funds, State funds, local non-board of education funds, board of education funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balances, assigned fund balance and lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the School.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity (Continued)

9. Reconciliation Between Government-wide and Fund Statements

The governmental fund balance sheet includes a reconciliation between governmental funds' total fund balance and governmental activities' net position as reported in the government-wide statement of net position. The net adjustment of \$409,652 consists of several elements as follows:

Capital assets used in governmental activities that are not financial resources are therefore not reported in the fund (total capital assets on government-wide statement in governmental activities column).	\$ 939,725
Less accumulated depreciation	(613,054)
The School's investment in joint venture is not available to pay for current period expenditures and therefore, is not reported in the funds.	<u>82,981</u>
Total adjustment	<u>\$ 409,652</u>

F. Revenues, Expenditures, and Expenses

1. Funding

The Exploris School, North Carolina is funded by the State Board of Education, receiving (i) an amount equal to the average per pupil allocation for the average daily membership (ADM) from the local school administrative unit allotments in which the school is located (i.e. Wake County Board of Education) for each child attending the School except for the allocation for children with special needs and (ii) an additional amount for each child attending the School who is a child with special needs [G.S. 115C-238.29H(a)]. Additionally, the School receives for each student who resides in the local administrative unit and attends the charter school, an amount equal to the per pupil local current expense appropriation to the respective local school administrative unit for the fiscal year which is transferred by the appropriate local school administrative unit(s). [G.S. 115C-238.29H(b)]. For the fiscal year ended June 30, 2017, The Exploris School, North Carolina received funding from the Boards of Education of Wake County, Johnston County, Durham County, Wayne County, and Nash-Rocky Mount Public Schools.

Furthermore, The Exploris School, North Carolina has received donations of cash and/or equipment from private organizations. The cash is available to be used throughout the year for the School's various programs and activities.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

1. Summary of Significant Accounting Policies (Continued)

F. Revenues, Expenditures, and Expenses (Continued)

2. Reconciliation Between Government-Wide and Fund Statements

The governmental fund statement of revenues, expenditures, and changes in fund balance is followed by a reconciliation between the change in governmental funds' fund balance and the change in governmental activities' net position as reported on the government-wide statement of activities. The net difference of \$25,894 between the two amounts consists of the following elements:

Depreciation expense that is recorded on the statement of activities but not in the fund statements.	\$ (144,514)
The equity in earnings of the investment in joint venture is not a current financial resource and therefore is not reported in the funds.	12,981
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements.	<u>157,427</u>
Total	<u>\$ 25,894</u>

G. Use of Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

2. Detail Notes on All Funds

A. Assets

1. Deposits

At June 30, 2017, the School had deposits with banks and savings and loans with a carrying amount of \$1,047,371. The bank balance with the financial institutions was \$1,120,895, of which \$870,895 was not covered by federal depository insurance. The School does not have a deposit policy for custodial credit risk.

2. Capital Assets

Capital asset activity for the year ended June 30, 2017, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 6,800	\$ -	\$ 6,800	\$ -
Capital assets being depreciated:				
Furniture	22,891	-	-	22,891
Electronic equipment	213,541	-	-	213,541
Leasehold improvements	696,493	6,800	-	703,293
Total capital assets being depreciated	<u>932,925</u>	<u>6,800</u>	<u>-</u>	<u>939,725</u>
Less accumulated depreciation for:				
Furniture	20,458	627	-	21,085
Electronic equipment	204,178	4,641	-	208,819
Leasehold improvements	243,904	139,246	-	383,150
Total accumulated depreciation	<u>468,540</u>	<u>144,514</u>	<u>-</u>	<u>613,054</u>
Total capital assets being depreciated, net	<u>464,385</u>			<u>326,671</u>
Governmental activity capital assets, net	<u>\$ 471,185</u>			<u>\$ 326,671</u>

Depreciation expense was charged to governmental functions as follows:

Instructional programs	\$ 143,887
Supporting services	<u>627</u>
	<u>\$ 144,514</u>

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

2. Detail Notes on All Funds (Continued)

A. Assets (Continued)

3. Investment in Unconsolidated Joint Venture

An operating agreement was executed in April 2016 in which the School has a fifteen percent membership and profit and loss allocation interest in Exploris Development Group, LLC (the "Venture"). The entity was formed to hold a parcel of land that was purchased in April 2016, and to develop the property for a permanent downtown Raleigh campus for the School. The investment was recorded at an initial cost of \$70,000 and adjusted for the School's share of earnings, cash contributions and distributions. The School's share of earnings totaled \$12,981 for the year ending June 30, 2017. The School has an ongoing financial interest due to the School's fifteen percent ownership and profit and loss earnings allocation in the entity. The investment balance at June 30, 2017 totaled \$82,981. Financial information for Exploris Development Group can be obtained from their administrative offices in Raleigh, North Carolina.

B. Liabilities

1. Pension Plan Obligations

The School does not participate in the North Carolina Teachers' and State Employees' Retirement System. The School has established a deferred compensation plan. Under the plan, all full-time employees who meet certain eligibility requirements can participate. The School matches 50% of employee contributions up to 4%. The expenses of the Plan totaled \$24,955, \$23,858, and \$18,520 for the years ended June 30, 2017, 2016, and 2015, respectively.

2. Deferred Inflows of Resources

The balance in deferred inflows of resources at year-end is composed of the following elements:

	Unearned Revenue
Unearned Grant Revenue	\$ <u>14,851</u>

3. Risk Management

The School is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School maintains general liability and errors and omissions insurance coverage of \$1 million per occurrence with a commercial carrier.

The School has obtained a major medical insurance policy for its personnel through a commercial insurer. Through the plan, permanent, full-time employees of the School are eligible to receive health care benefits.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

3. Risk Management (Continued)

The School carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and claims have not exceeded coverage in any of the past two fiscal years.

The School has elected not to carry flood insurance because the School is not in an area of the state that has been mapped and designated an "A" area (an area close to a river, lake or stream) by the Federal Emergency Management Agency.

The School carries fidelity bond coverage in the amount of \$250,000 for all its employees.

4. Long-Term Obligations

a. Notes Payable

In November 2014, the School entered into a loan with a local bank with a fixed interest rate of 5.28%. Payments of \$9,030 including principal and interest were payable monthly. During 2017, the remaining unpaid balance of principal and interest was paid off. The note was secured by leasehold improvements.

b. Changes in General Long-Term Obligations

The following is a summary of changes in the School's long-term obligations for the fiscal year ended June 30, 2017:

Governmental activities:	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Note payable	<u>\$ 157,427</u>	<u>\$ _____</u>	<u>\$ 157,427</u>	<u>\$ _____</u>	<u>\$ _____</u>

c. Operating Leases

Effective July 2009, the School entered into an operating lease for the school building. The lease required monthly payments of \$15,530 for July and August 2016. The lease increases annually based on either the CPI or the increase in per pupil allotment. Effective September 2016, the lease requires \$15,592 per month. The lease expires August 31, 2024.

In July 2014, the School entered into a ground lease agreement as well as a modular lease agreement. The ground lease expired in June 2017. A one year lease was entered into in July 2017 with a new company and matures in June 2018 which requires monthly rentals of \$3,600. The modular lease agreement matures in December 2018 and requires monthly payments of \$7,250. Additionally, the School leases various equipment under lease agreements expiring at various dates through November 2017. Monthly payments range from \$320 to \$620.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

4. Long-Term Obligations (Continued)

c. Operating Leases (Continued)

Rent expense for the year ended June 30, 2017 under noncancelable lease agreements totaled \$345,627.

The following is a schedule of the future minimum lease payments as of June 30:

<u>Year Ending June 30,</u>	
2018	\$ 347,035
2019	239,177
2020	197,914
2021	201,872
2022	205,909
2023-2025	<u>442,167</u>
	<u>\$ 1,634,074</u>

C. Fund Balance

The Exploris School has a revenue spending policy that provides policy for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: federal funds, State funds, local non-School funds, The Exploris School funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the School.

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation:

Total fund balance	\$ 847,532
Less:	
Assigned	(301,706)
Prepaid Items	(7,250)
Security Deposit	<u>(15,658)</u>
Remaining fund balance	<u>\$ 552,918</u>

3. Related Party Transactions

Two employees of the School served as members of the governing board of The Exploris School. For the fiscal year ended June 30, 2017, these employees were paid salaries of \$96,860 and \$62,304 from the State Public School Fund.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

4. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The School has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

5. Significant Effects of Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through October 23, 2017, which is the date the financial statements were available to be issued.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**All Governmental Fund Types**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2017**

Statement 1

	2017		Favorable (Unfavorable) Variance
	Final Budget	Actual	
Revenues:			
State of North Carolina Board(s) of Education:			
Wake County	921,365	975,800	54,435
Johnston County	27,229	24,818	(2,411)
Durham County	12,353	6,442	(5,911)
Nash-Rocky Mount	1,355	-	(1,355)
Wayne County	-	350	350
U.S. Government	61,787	72,634	10,847
Contributions and donations	100,000	103,401	3,401
Grants	30,000	53,469	23,469
Field Trips	-	104,790	104,790
Other	6,000	44,913	38,913
	<u>3,352,952</u>	<u>3,725,290</u>	<u>372,338</u>
Total			
Expenditures:			
Current:			
Instructional services:			
Regular programs	-	2,176,381	-
Special programs	-	212,974	-
Alternative programs	-	79,014	-
School leadership programs	-	374,595	-
Co-Curricular programs	-	5,833	-
School based support programs	-	73,824	-
	<u>2,744,957</u>	<u>2,922,621</u>	<u>(177,664)</u>
Total instructional programs			
Support services:			
Operational support	-	69,959	-
Finance and human resources	-	53,717	-
Policy, leadership and public relations	-	363,060	-
	<u>645,592</u>	<u>486,736</u>	<u>158,856</u>
Total support services			

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**All Governmental Fund Types**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended June 30, 2017**  
**(Continued)**

Statement 1

	2017		Favorable (Unfavorable) Variance
	Final Budget	Actual	
Debt Service			
Principal	\$ -	\$ 157,427	\$ (157,427)
Interest	-	4,666	(4,666)
Total debt service	-	162,093	(162,093)
Total expenditures	3,390,549	3,571,450	(180,901)
Other financing sources (uses):			
Fund balance appropriated	37,597	-	(37,597)
Total other financing sources and (uses)	37,597	-	(37,597)
Excess of revenue over expenditures	<u>\$ -</u>	<u>\$ 153,840</u>	<u>\$ 153,840</u>

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Proprietary Fund Types**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Non - GAAP)**  
**For the Fiscal Year Ended June 30, 2017**

Statement 2

	2017		Favorable (Unfavorable) Variance
	Final Budget	Actual	
Revenues:			
Child care fees	\$ 65,000	\$ 81,080	\$ 16,080
Total revenues	<u>65,000</u>	<u>81,080</u>	<u>16,080</u>
Expenditures:			
Salaries and benefits	16,468	17,365	(897)
Total expenditures	<u>16,468</u>	<u>17,365</u>	<u>(897)</u>
Revenues over expenditures	<u>48,532</u>	<u>63,715</u>	<u>15,183</u>
Other financing sources (uses):			
Fund balance appropriated	(48,532)	-	48,532
Total other financing sources (uses)	<u>(48,532)</u>	<u>-</u>	<u>48,532</u>
Revenues and other sources over expenditures	<u>\$ -</u>	63,715	<u>\$ 63,715</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Change in net assets		<u>\$ 63,715</u>	

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
The Exploris School  
Raleigh, North Carolina

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, the business-type activities, each major fund, and the aggregate remaining fund information of The Exploris School, North Carolina as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise The Exploris School, North Carolina's basic financial statements, and have issued our report thereon dated October 23, 2017.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered The Exploris School, North Carolina'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 The Exploris School, North Carolina's internal control. Accordingly, we do not express an opinion on the effectiveness of The Exploris School, North Carolina'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 The Exploris School, North Carolina'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2017-1.

**Response to Findings**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Thomas, Judy & Duckert, P.A.".

October 23, 2017

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND THE STATE SINGLE AUDIT IMPLEMENTATION ACT**

To the Board of Directors  
The Exploris School  
Raleigh, North Carolina

***Report on Compliance for Each Major State Program***

We have audited The Exploris School, North Carolina's compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of The Exploris School, North Carolina's major State programs for the year ended June 30, 2017. The Exploris School, North Carolina's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of The Exploris School, North Carolina's major State 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 applicable sections of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, Uniform Guidance, and the State Single Audit Implementation Act 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 State program occurred. An audit includes examining, on a test basis, evidence about The Exploris School, North Carolina'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 State program. However, our audit does not provide a legal determination of The Exploris School, North Carolina's compliance.

### **Opinion on Each Major State Program**

In our opinion, The Exploris School, North Carolina, 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 State programs for the year ended June 30, 2017.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with applicable sections of the Uniform Guidance and as described in the *Audit Manual for Governmental Auditors of North Carolina* and which are described in the accompanying schedule of findings and questioned costs as item 2017-1. Our opinion on each major State program is not modified with respect to these matters.

The Exploris School, North Carolina's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Exploris School, North Carolina's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

Management of The Exploris School, North Carolina, 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 Exploris School, North Carolina's internal control over compliance with the types of requirements that could have a direct and material effect on each major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Exploris School, North Carolina's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Thomas, Judy & Ducka, P.A.*

October 23, 2017

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
 For the Fiscal Year Ended June 30, 2017

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness identified?  Yes  No
- Significant deficiencies?  Yes  None Reported
- Noncompliance material to financial statements noted?  Yes  No

State Awards

Internal control over major State programs:

- Material weakness identified?  Yes  No
- Significant deficiency identified that is not considered to be a material weakness?  Yes  None Reported

Type of auditors’ report issued on compliance for major State programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?  Yes  No

Identification of major State programs:

Program Name  
 State Public School Fund

SECTION II – FINANCIAL STATEMENT FINDINGS

No Findings

SECTION III – STATE AWARD FINDINGS AND QUESTIONED COSTS

N.C. Department of Public Instruction  
 Program Name: State Public School Fund

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)  
For the Fiscal Year Ended June 30, 2017

NONCOMPLIANCE

Eligibility

Finding 2017-1

Criteria: In accordance with North Carolina G.S. 115C-12(5); G.S 115C-218.105, children with disabilities should have a Permission to Place form (DEC 6 [if placement is after school year 1997-98] or DEC 7 [if placement was prior to school year 1997-98]).

Condition: Out of five student selections, one did not have a DEC 6 or DEC 7 form.

Cause: A form DEC 6 or DEC 7 was not completed and maintained by the School

Effect: There is a possibility that the student was incorrectly placed based on disability.

Questioned Costs: None.

Recommendation: Procedures should be maintained to ensure that all exceptional children have a DEC 6 or DEC 7 form kept on file.

Views of responsible officials and planned corrective actions: The School agrees with this finding and will implement policies and procedures to ensure that this problem does not recur.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**CORRECTIVE ACTION PLAN**  
For the Fiscal Year Ended June 30, 2017

SECTION III – STATE AWARD FINDINGS AND QUESTIONED COSTS

Finding: 2017-1

Name of Contact Person: Ellie Schollmeyer, Principal

Corrective Action: The School will obtain the required DEC 6 or DEC 7 forms for all exceptional students.

Proposed Completion Date: December 31, 2017

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
For the Fiscal Year Ended June 30, 2017

No prior year audit findings.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
For the Year Ended June 30, 2017

<u>Grantor/Pass-through</u> <u>Grantor/Program Title</u>	<u>Federal</u> <u>CFDA</u> <u>Number</u>	<u>State/</u> <u>Pass-through</u> <u>Grantor's</u> <u>Number</u>	<u>Expendi-</u> <u>tures</u>
<b>Federal Grants:</b>			
<b>Cash Assistance:</b>			
<u>U.S. Department of Education</u>			
Passed-through the N.C. Department of Public Instruction:			
Improving America School Act of 1994 (IASA)			
<u>IDEA VI Cluster</u>			
IDEA VI-B	84.027	PRC 060	\$ 71,728
IDEA VI-B Targeted Assistance	84.027A	PRC 118	<u>906</u>
Total U.S. Department of Education			<u>72,634</u>
Total Federal Assistance			<u>72,634</u>
<b>State Grants:</b>			
<b>Cash Assistance:</b>			
N.C. Department of Public Instruction:			
State Public School Fund - Charter Schools	xxxx	PRC 036	2,327,171
Summer Reading	xxxx	PRC 016	<u>11,502</u>
Total N.C. Department of Public Instruction			<u>2,338,673</u>
Total State Assistance			<u>2,338,673</u>
Total Federal and State Assistance			<u>\$ 2,411,307</u>

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of The Exploris School and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited. The Exploris School has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

November 22, 2016

To the Board of Directors  
The Exploris School

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Exploris School for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 4, 2016. Professional standards also require that we communicate to you the following information related to our audit.

#### Significant Audit Findings

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by The Exploris School are described in Note 1 to the financial statements. During the year ended June 30, 2016, The Exploris School adopted GASB Statement No. 72-Fair Value Measurement and Application, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The adoption of this pronouncement did not materially affect The Exploris School. The application of existing policies was not changed during 2016. We noted no transactions entered into by The Exploris School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the School's financial statements were:

Management's estimate of the depreciable lives is based on the estimated useful lives of the capital assets. We evaluated the key factors and assumptions used to develop the depreciable lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the fair value of the School's investment in joint venture. We evaluated the key factors and assumptions used to develop the depreciable lives in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 22, 2016.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to The Exploris School's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as The Exploris School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the budgetary schedules and the schedule of expenditures of federal and State awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

November 22, 2016  
Page 3 of 3

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of The Exploris School and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Thomas, Judy & Tucker, P.A." The signature is written in black ink on a white background.

Thomas Judy & Tucker, P.A.

Client: **59120 - The Exploris School**  
 Engagement: **AUD - 6/30/2016**  
 Period Ending: **6/30/2016**  
 Workpaper: **A05.03b - Passed Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Passed Journal Entries JE # 18</b>				
	To record the difference between capital contribution per the Operating Agreement for Exploris Development Group and what was reported in the general ledger	<b>H01</b>		
2.1615.000.TJT	Investment in Exploris Development Group		10,888.00	
1.6940.036.311.000.000.00	Contracted General Administrat			10,888.00
<b>Total</b>			<u><u>10,888.00</u></u>	<u><u>10,888.00</u></u>

**THE EXPLORIS SCHOOL  
RALEIGH, NORTH CAROLINA**

Financial Statements  
Year Ended June 30, 2016

**THE EXPLORIS SCHOOL**  
**Table of Contents**  
**As of June 30, 2016**

<u>Exhibit</u>		<u>Page</u>
	Financial Section:	
	Independent Auditors' Report	1 - 2
	Management's Discussion and Analysis	3 - 10
	Basic Financial Statements:	
	Government-wide Financial Statements:	
1	Statement of Net Position	11
2	Statement of Activities	12
	Fund Financial Statements:	
3	Balance Sheet – Governmental Funds	13
	Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	13
4	Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	14
5	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	15
6	Statement of Net Position – Proprietary Funds	16
7	Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	17
8	Statement of Cash Flows – Proprietary Funds	18
	Notes to the Financial Statements	19 - 31
	<u>Statement</u>	
	Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
1	All Governmental Fund Types	32 - 33
2	Proprietary Fund Types	34
	Compliance Section:	
	Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	35 - 36
	Independent Auditors' Report on Compliance with Requirements Applicable to each Major State Program and on Internal Control Over Compliance in Accordance with the Uniform Guidance and the State Single Audit Implementation Act	37 - 38
	Schedule of Findings and Questioned Costs	39
	Summary Schedule of Prior Audit Findings	40
	Schedule of Expenditures of Federal and State Awards	41

Caroline P. Abbott  
Jeffrey A. Brovet  
Kristen T. Hoyle  
David A. Johnson



B105

Chris P. Judy  
James K. Tiller  
David W. Tucker  
Geri H. Lail

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Exploris School  
Raleigh, North Carolina

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Exploris School, North Carolina as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise The Exploris 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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of The Exploris School, North Carolina as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise The Exploris School, North Carolina's basic financial statements. The budgetary schedules as well as the accompanying schedule of expenditures of federal and State awards required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Implementation Act*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary schedules, as well as the accompanying Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary schedules, and the accompanying Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2016 on our consideration of The Exploris 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 the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Exploris School's internal control over financial reporting and compliance.



November 22, 2016

**Management's Discussion and Analysis**  
**The Exploris School**  
**June 30, 2016**

As management of The Exploris School, we offer readers of The Exploris School's audited financial statements this narrative overview and analysis of the financial activities of The Exploris School for the fiscal year ended June 30, 2016. We encourage readers to read the information presented herein in conjunction with additional information that we have furnished in the School's financial statements, which follow this narrative.

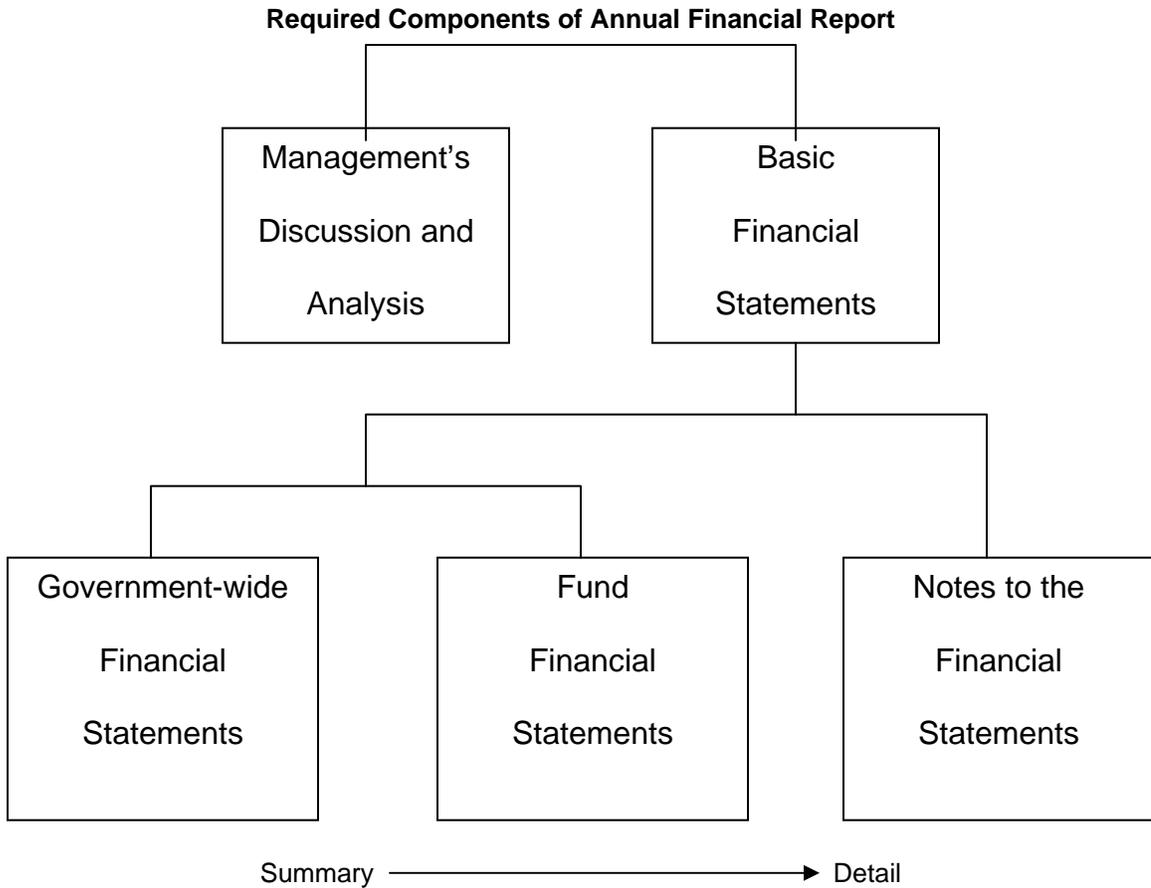
**Financial Highlights**

- The assets of The Exploris School exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$1,224,060 (*net position*).
- The School's total net assets increased by \$394,469.
- As of the close of the current fiscal year, The Exploris School's governmental funds reported combined ending fund balances of \$693,692.
- Enrollment has grown at the School. In 2013-2014 the State funded Average Daily Membership (ADM) was 207. In 2014-2015 it was 412, and in 2015-2016, it grew to 421.
- The Exploris School's total debt, which includes a note payable and compensated absences, decreased by \$127,380 during the current fiscal year.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to The Exploris School's basic financial statements. The School's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two distinct financial perspectives of the School through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of The Exploris School.

Figure 1



### Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the School's financial standing.

The next statements (Exhibits 3 through 8) are **Fund Financial Statements**. These statements focus on the activities of the individual segments of the School's government and are more detailed than the government-wide financial statements. There are two parts to the Fund Financial Statements: 1) the governmental funds statements; and 2) the proprietary fund statements.

Immediately following the fund financial statements are the **Notes to the Financial Statements** (i.e. "Notes"). The Notes offer a detailed explanation of the data contained in those statements. Next, **supplemental information** is provided to show details about the School's funds. Budgetary information for the School can also be found in this section of the statements.

**Management's Discussion and Analysis  
The Exploris School  
June 30, 2016**

### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the School's finances, similar in format to the financial statements of a private-sector business. The government-wide statements provide short and long-term information about the School's financial status, as a whole.

The two government-wide statements report the School's net position and how they have changed. Net position equals the difference between the School's total assets and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the School's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the School's basic functions such as instructional services and business services. These functions are funded almost entirely through state, county, and federal educational funds. The business-type activities are those services that the School charges its students and other customers. These include the School Food Service program carried out by The Exploris School.

The government-wide financial statements are enumerated in Exhibits 1 and 2 of this report.

### **Fund Financial Statements**

The fund financial statements provide a more detailed look at the School's most significant activities. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Exploris School, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related statutory requirements, such as the North Carolina General Statutes or the School's budget ordinance, where and when applicable. All of the funds of The Exploris School can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds** – Governmental funds are used to account for functions reported as governmental activities in the government-wide financial statements. Most of the School's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and monies remaining at year-end that will be available for spending in the next fiscal year. Governmental funds are reported using the modified accrual accounting method, which provides a short-term spending focus. The governmental fund financial statements assist the reader in determining whether there has been an increase or a decrease in the financial resources available to finance the School's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is an integral part of the fund financial statements.

Although not compelled or required to do so by federal, state, or local law, The Exploris School has elected to adopt an annual budget. Since the budget is not required by law, the budgetary comparison statements are not included in the basic financial statements, but are part of the supplemental statements and schedules following the notes. The budget incorporates input from the faculty, management, and the Board of Directors of the School and specifies which activities will be pursued and which services the School will provide during the year. It also authorizes the School to obtain funds from identified sources to finance current period activities. The budgetary statement demonstrates how well the School has complied with the budget ordinance and whether or not the School has succeeded in providing the services as originally planned.

**Management's Discussion and Analysis**  
**The Exploris School**  
**June 30, 2016**

**Proprietary Funds** – The Exploris School has two proprietary funds, which are enterprise funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Exploris School uses enterprise funds to account for its After School Care functions.

**Notes to the Financial Statements** – The notes provide additional information essential to facilitating a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 19 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as one useful indicator of a school's financial condition. The assets of The Exploris School exceeded liabilities by \$1,224,060 as of June 30, 2016. As of June 30, 2015, the net position of The Exploris School stood at \$829,591. The School's net position increased by \$394,469 for the fiscal year ended June 30, 2016, compared to an increase of \$284,074 in 2015. The amount of \$313,758 reflects the School's investment in capital assets (e.g. leasehold improvements, computer equipment, and audio visual equipment), less any related debt still outstanding that was issued to acquire those items. The Exploris School uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although The Exploris School's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of The Exploris School's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$910,302 is unrestricted. In 2015, the net investment in capital assets was \$360,879, with unrestricted net position standing at \$468,712.

**Figure 2**  
**The Exploris School's Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 778,588	\$ 556,375	\$ 146,610	\$ 114,882	\$ 925,198	\$ 671,257
Capital assets, net of depreciation	471,185	615,107	-	-	471,185	615,107
<b>Total assets</b>	<b>1,249,773</b>	<b>1,171,482</b>	<b>146,610</b>	<b>114,882</b>	<b>1,396,383</b>	<b>1,286,364</b>
Other liabilities	1,576	149,084	-	115	1,576	149,199
Long-term liabilities outstanding	157,427	284,807	-	-	157,427	284,807
<b>Total liabilities</b>	<b>159,003</b>	<b>433,891</b>	<b>-</b>	<b>115</b>	<b>159,003</b>	<b>434,006</b>
Deferred inflows of resources	13,320	22,767	-	-	13,320	22,767
Invested in capital assets, net of related debt	313,758	360,879	-	-	313,758	360,879
Unrestricted	763,692	353,945	146,610	114,767	910,302	468,712
<b>Total net assets</b>	<b>\$ 1,077,450</b>	<b>\$ 714,824</b>	<b>\$ 146,610</b>	<b>\$ 114,767</b>	<b>\$ 1,224,060</b>	<b>\$ 829,591</b>

Several aspects of the School's financial operations positively influenced the total unrestricted governmental net assets:

- The School adopted an annual budget. The School's performance was measured using this budget on a monthly basis, allowing changes to be made in spending as needed to remain within the confines of the budget.
- The School applied for and was awarded federal grants to assist with meeting the educational needs of the student population.

**Management's Discussion and Analysis**  
**The Exploris School**  
**June 30, 2016**

**Figure 3**  
**The Exploris School's Changes in Net Position**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
<b>Charges for services</b>	\$ -	\$ -	\$ 71,471	\$ 58,855	\$ 71,471	\$ 58,855
<b>Operating grants and contributions</b>	80,737	63,548	-	-	80,737	63,548
<b>County, State, and federal Funds</b>	3,240,502	3,042,790	-	-	3,240,502	3,042,790
<b>Donations and other revenues</b>	329,149	138,738	-	-	329,149	138,738
<b>Total revenues</b>	<u>3,650,388</u>	<u>3,245,076</u>	<u>71,471</u>	<u>58,855</u>	<u>3,721,859</u>	<u>3,303,931</u>
<b>Instructional programs</b>	2,713,254	2,522,084	-	-	2,713,254	2,522,084
<b>Support services</b>	562,949	456,354	-	-	562,949	456,354
<b>Child care</b>	-	-	39,628	33,011	39,628	33,011
<b>Interest on long-term debt</b>	11,559	8,408	-	-	11,559	8,408
<b>Total expenses</b>	<u>3,287,762</u>	<u>2,986,846</u>	<u>39,628</u>	<u>33,011</u>	<u>3,327,390</u>	<u>3,019,857</u>
<b>Increase (decrease) in net assets before transfers</b>	362,626	258,230	31,843	25,844	394,469	284,074
<b>Transfers</b>	-	-	-	-	-	-
<b>Increase (decrease) in net assets</b>	362,626	258,230	31,843	25,844	394,469	284,074
<b>Net assets, July 1</b>	<u>714,824</u>	<u>456,594</u>	<u>114,767</u>	<u>88,923</u>	<u>829,591</u>	<u>545,517</u>
<b>Net assets, June 30</b>	<u>\$1,077,450</u>	<u>\$714,824</u>	<u>\$146,610</u>	<u>\$114,767</u>	<u>\$1,224,060</u>	<u>\$829,591</u>

**Governmental activities.** Governmental activities increased the School's net position by \$362,626.

**Business-type activities.** Business-type activities increased The Exploris School's net position by \$31,843.

By adopting a budget for the enterprise funds that comprise the business-type activities, the Board is able to monitor the School's revenues and expenditures and adjust their estimates as needed during the year.

#### **Financial Analysis of the School's Funds**

As noted earlier, The Exploris School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Management's Discussion and Analysis**  
**The Exploris School**  
**June 30, 2016**

**Governmental Funds.** The focus of The Exploris School's governmental funds is to provide information on near-term inflows, outflows, and balances of usable financial resources. Such information is useful in assessing The Exploris School's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of The Exploris School. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$648,956, while total fund balance reached \$693,692.

**Proprietary Funds.** The School's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the After School Care Fund at the end of the fiscal year amounted to \$146,610.

**Capital Asset and Debt Administration**

**Capital assets.** The Exploris School's investment in capital assets for its governmental activities as of June 30, 2016, totals \$471,185 (net of accumulated depreciation). Capital assets include furniture, electronic equipment, and leasehold improvements.

**Figure 4**  
**The Exploris School's Capital Assets**  
 (net of depreciation)

	<b>Governmental Activities</b>	
	<b>2016</b>	<b>2015</b>
<b>Construction In Progress</b>	\$ 6,800	\$ -
<b>Furniture</b>	2,433	3,355
<b>Electronic equipment</b>	9,363	20,183
<b>Leasehold improvements</b>	452,589	591,569
<b>Total</b>	<u>\$ 471,185</u>	<u>\$ 615,107</u>

Additional information about the School's capital assets can be found in Note 2.A.2. of the Basic Financial Statements.

**Long-term Debt.** As of June 30, 2016, The Exploris School had total outstanding debt of \$157,427. The debt consists of a note payable totaling \$157,427. During the past fiscal year, The Exploris School's total debt decreased by \$127,380.

**Economic Factors**

The following key economic indicators reflect the growth and prosperity of the School:

**Management's Discussion and Analysis  
The Exploris School  
June 30, 2016**

- The LEA in which the school resides has experienced tremendous growth, which should provide a steady stream of students into the School's limited available space.
- The State of North Carolina per pupil funding for the 2015-2016 school year, increased by \$151.16 which equated to a 3.26% increase from the prior year.
- The downtown area of Raleigh continues to be revitalized bringing many new families into the new homes and apartments that surround the School which will continue to provide a steady stream of new students that can potentially enroll at Exploris.

**Requests for Information**

This report is designed to provide an overview of the School's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Board Chair, The Exploris School, 401 Hillsborough Street, Raleigh, North Carolina 27603, telephone (919) 715-3690.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Net Position**  
**June 30, 2016**

**Exhibit 1**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 660,799	\$ 146,610	\$ 807,409
Receivables	3,053	-	3,053
Security deposit	15,658	-	15,658
Prepaid items	29,078	-	29,078
Investment in joint venture	70,000	-	70,000
Capital assets (Note 1):			
Other capital assets, net of depreciation	471,185	-	471,185
Total assets	1,249,773	146,610	1,396,383
<b>LIABILITIES</b>			
Accounts payable	1,576	-	1,576
Long-term liabilities:			
Due within one year	102,539	-	102,539
Due in more than one year	54,888	-	54,888
Total liabilities	159,003	-	159,003
<b>DEFERRED INFLOWS OF RESOURCES</b>			
	13,320	-	13,320
<b>NET POSITION</b>			
Net investment in capital assets	313,758	-	313,758
Unrestricted	763,692	146,610	910,302
Total net position	\$ 1,077,450	\$ 146,610	\$ 1,224,060

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Activities**  
**Year Ended June 30, 2016**

Exhibit 2

<b>Functions/Programs</b>	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>						
Governmental activities:						
Instructional services	\$ 2,713,254	\$ -	\$ 80,737	\$ (2,632,517)	\$ -	\$ (2,632,517)
System-wide support services	562,949	-	-	(562,949)	-	(562,949)
Interest on long-term debt	11,559	-	-	(11,559)	-	(11,559)
Total governmental activities	3,287,762	-	80,737	(3,207,025)	-	(3,207,025)
Business-type activities:						
Child care	39,628	71,471	-	-	31,843	31,843
Total business-type activities	39,628	71,471	-	-	31,843	31,843
Total primary government	\$ 3,327,390	\$ 71,471	\$ 80,737	(3,207,025)	31,843	(3,175,182)
General revenues:						
Unrestricted county appropriations				969,976	-	969,976
Unrestricted State appropriations				2,270,526	-	2,270,526
Contributions and donations				106,235	-	106,235
Grants				78,754	-	78,754
Field Trips				106,186	-	106,186
Miscellaneous, unrestricted				37,974	-	37,974
Total general revenues and transfers				3,569,651	-	3,569,651
Change in net position				362,626	31,843	394,469
Net position-beginning				714,824	114,767	829,591
Net position-ending				\$ 1,077,450	\$ 146,610	\$ 1,224,060

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2016**

Exhibit 3

	Major Funds		Non-major Fund	Total Governmental Funds
	General	State Public School	Federal Grants Fund	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 660,799	\$ -	\$ -	\$ 660,799
Receivables	3,053	-	-	3,053
Security deposit	15,658	-	-	15,658
Prepaid items	29,078	-	-	29,078
Total assets	<u>\$ 708,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 708,588</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 1,576	\$ -	\$ -	\$ 1,576
Total liabilities	<u>1,576</u>	<u>-</u>	<u>-</u>	<u>1,576</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
	<u>13,320</u>	<u>-</u>	<u>-</u>	<u>13,320</u>
Fund balances:				
Nonspendable:				
Security deposit	15,658	-	-	15,658
Prepaid items	29,078	-	-	29,078
Unassigned:	648,956	-	-	648,956
Total fund balances	<u>693,692</u>	<u>-</u>	<u>-</u>	<u>693,692</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 708,588</u>	<u>\$ -</u>	<u>\$ -</u>	

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

471,185

Other long-term assets are not available to pay for current period expenditures, and, therefore, are not reported in the funds.

70,000

Some liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds.

(157,427)

Net position of governmental activities

\$ 1,077,450

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**Year Ended June 30, 2016**

Exhibit 4

	Major Funds		Non-major Fund	Total Governmental Funds
	General	State Public School	Federal Grants Fund	
<b>REVENUES</b>				
State of North Carolina	\$ -	\$ 2,270,526	\$ -	\$ 2,270,526
Boards of Education	969,976	-	-	969,976
U.S. Government	-	-	80,737	80,737
Contributions and donations	106,235	-	-	106,235
Grants	78,754	-	-	78,754
Field Trips	106,186	-	-	106,186
Other	37,974	-	-	37,974
Total revenues	<u>1,299,125</u>	<u>2,270,526</u>	<u>80,737</u>	<u>3,650,388</u>
<b>EXPENDITURES</b>				
<b>Current:</b>				
Instructional services	767,601	1,745,695	80,737	2,594,033
Support services	140,626	421,401	-	562,027
<b>Capital outlay:</b>	2,700	4,100	-	6,800
<b>Debt service:</b>				
Principal	8,530	88,271	-	96,801
Interest and other charges	500	11,059	-	11,559
Total expenditures	<u>919,957</u>	<u>2,270,526</u>	<u>80,737</u>	<u>3,271,220</u>
Excess (deficiency) of revenues over expenditures	<u>379,168</u>	<u>-</u>	<u>-</u>	<u>379,168</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Investment in joint venture expense	<u>(70,000)</u>	<u>-</u>	<u>-</u>	<u>(70,000)</u>
Total other financing uses	<u>(70,000)</u>	<u>-</u>	<u>-</u>	<u>(70,000)</u>
Net change in fund balance	309,168	-	-	309,168
Fund balances-beginning	<u>384,524</u>	<u>-</u>	<u>-</u>	<u>384,524</u>
Fund balances-ending	<u>\$ 693,692</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 693,692</u>

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Reconciliation of the Statement of**  
**Revenues, Expenditures, and Changes in Fund Balance of**  
**Governmental Funds to the Statement of Activities**  
**Year Ended June 30, 2016**

Exhibit 5

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$ 309,168
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	(143,922)
The investment in the joint venture consumes current financial resources of governmental funds, however does not have any effect on net position.	70,000
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	96,801
Some reductions in expenses are reported in the statement of activities do not relate to current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	30,579
	_____
Total changes in net position of governmental activities	\$ 362,626

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2016**

**Exhibit 6**

	<u>Enterprise Fund</u> <u>Major Fund</u> After <u>School Care</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 146,610
Receivables	-
Total assets	<u>\$ 146,610</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	<u>\$ -</u>
Total liabilities	<u>-</u>
<b>NET POSITION</b>	
Unrestricted	<u>146,610</u>
Total net position	<u>\$ 146,610</u>

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**Year Ended June 30, 2016**

**Exhibit 7**

	Enterprise Fund
	Major Fund
	After
	School Care
<b>OPERATING REVENUES</b>	
Child care fees	\$ 71,471
Total operating revenues	71,471
<b>OPERATING EXPENSES</b>	
Salaries and benefits	39,523
Materials and supplies	105
Total operating expenses	39,628
Operating income	31,843
Total net position - beginning	114,767
Total net position - ending	\$ 146,610

The notes to the financial statement are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended June 30, 2016**

**Exhibit 8**

	Enterprise Fund
	Major Fund
	After
	School Care
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 71,601
Cash paid to employees for services	(39,523)
Cash paid for goods and services	(220)
Net cash provided by operating activities	31,858
Net increase in cash and cash equivalents	31,858
Balance-beginning of the year	114,752
Balance-end of the year	\$ 146,610
Reconciliation of operating income to net cash provided by operating activities	
Operating income	\$ 31,843
Changes in assets and liabilities:	
Increase in accounts receivable	130
Increase in accounts payable	(115)
Net cash provided by operating activities	\$ 31,858

The notes to the financial statements are an integral part of this statement.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

1. Summary of Significant Accounting Policies

The accounting policies of The Exploris School, North Carolina (School) conform to generally accepted accounting principles (GAAP) as applicable to governments. Charter schools are established by non-profit entities. Because of the authority of the State Board of Education (SBE) to unilaterally abolish a school with all the assets reverting to a local education agency, the charter schools in North Carolina follow the governmental reporting model, as used by local education agencies. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Exploris School, North Carolina is a public school operated by a non-profit corporation, serving approximately 421 students. The School operates under an approved charter received from the SBE, and applied for under the provisions of General Statute (G.S.) 115C-238.29B. G.S. 115C-238.29F (f) (1) states that a charter school shall be subject to the audit requirements adopted by the SBE, which includes the audit requirements established by G.S. 115C-447 of the School Budget and Fiscal Control Act (SBFCA). G.S. 115C-447 also requires financial statements to be prepared in accordance with GAAP.

B. Basis of Presentation

*Government-wide Statements:* The statement of net position and the statement of activities display information about the School. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the School. Governmental activities generally are financed through intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the School and for each function of the School's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the School's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

The School reports the following major governmental funds:

*General Fund.* The General Fund is the general operating fund of the School. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund.

*State Public School Fund.* The State Public School Fund includes appropriations from the Department of Public Instruction for specific operating needs of the School and is reported as a special revenue fund.

The School reports the following major enterprise fund:

*After School Care.* The After School Care Fund is used to account for activity of the after school care at the School.

C. Measurement Focus and Basis of Accounting

*Government-wide and Proprietary Fund Financial Statements.* The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the School gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. These could include federal, State, and county grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the School funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the School's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

1. Summary of Significant Accounting Policies (Continued)

D. Budgetary Data

Annual budgets are adopted for all funds, on a school-wide basis. All budgets are prepared using the modified accrual basis of accounting.

The governing board has voluntarily established the policy, as a sound business practice, that expenditures may not exceed appropriations, for all the School's funds, based on the adopted budget and subsequent amendments. During the year, several amendments to the original budget were necessary, the effects of which were not material. The budget presented in these financial statements represents the budget of the School at June 30, 2016. All appropriations lapse at year end.

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity

1. Deposits and Investments

All deposits of the School are made in a local bank, whose accounts are FDIC insured. Also, the School may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit. All cash held with original maturities of three months or less are considered cash and cash equivalents.

2. Cash and Cash Equivalents

The School pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The School had prepaid items totaling \$29,078 at June 30, 2016.

4. Capital Assets

The School's donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value. The total of these estimates is not considered large enough that any errors would be material when capital assets are considered as a whole.

It is the policy of the School to capitalize all capital assets costing more than \$2,500 with an estimated useful life of two or more years. In addition, other items which are purchased and used in large quantities such as student desks and office furniture are capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. All depreciable assets are depreciated using the straight-line method of depreciation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity (Continued)

4. Capital Assets (Continued)

Capital assets are depreciated over the following estimated useful lives:

	<u>Years</u>
Leasehold Improvements	5 - 20
Furniture	5 - 7
Electronic Equipment	3 - 5

5. Investment in Joint Venture

The School's investment in joint venture represents its equity interest in the joint venture. The School does not control the major operating and financial policies of the joint venture. The School holds a fifteen percent membership interest in the investment.

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The School has no items that meet this criterion. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The School has only one item that meets the criterion for this category – deferred revenue.

7. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position.

In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

8. Net Position/Fund Balances

Net Position

Net position in the government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted; and unrestricted. Restricted net position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 For the Fiscal Year Ended June 30, 2016

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity (Continued)

8. Net Position/Fund Balances (Continued)

Fund Balance

In the government fund financial statements, fund balance is composed of two (out of five possible) classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

**Nonspendable Fund Balance** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

**Security Deposit** – portion of fund balance not available for appropriation because it represents the year-end balance of a security deposit on the school facility, which is not an expendable, available resource.

**Prepaid Items** – portion of fund balance that is not an available resource because it represents the year-end balance of prepaid expense which is not a spendable resource.

The Exploris School has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: federal funds, State funds, local non-board of education funds, board of education funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balances, assigned fund balance and lastly, unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the School.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Fund Equity (Continued)

9. Reconciliation Between Government-wide and Fund Statements

The governmental fund balance sheet includes a reconciliation between governmental funds' total fund balance and governmental activities' net position as reported in the government-wide statement of net position. The net adjustment of \$383,758 consists of several elements as follows:

Capital assets used in governmental activities that are not financial resources are therefore not reported in the fund (total capital assets on government-wide activities column).	\$ 939,725
Less accumulated depreciation	(468,540)
The School's investment in joint venture is not available to pay for current period expenditures and therefore, is not reported in the funds.	70,000
Liabilities that, because they are not due and payable in the current period do not require current resources to pay and are therefore not reported in the fund statements:	
Notes payable	<u>(157,427)</u>
Total adjustment	<u>\$ 383,758</u>

F. Revenues, Expenditures, and Expenses

1. Funding

The Exploris School, North Carolina is funded by the State Board of Education, receiving (i) an amount equal to the average per pupil allocation for the average daily membership (ADM) from the local school administrative unit allotments in which the school is located (i.e. Wake County Board of Education) for each child attending the School except for the allocation for children with special needs and (ii) an additional amount for each child attending the School who is a child with special needs [G.S. 115C-238.29H(a)]. Additionally, the appropriate local school administrative unit(s) transfers to the School, for each student who resides in the local administrative unit and attends the charter school, an amount equal to the per pupil local current expense appropriation to the respective local school administrative unit for the fiscal year. [G.S. 115C-238.29H(b)]. For the fiscal year ended June 30, 2016, The Exploris School, North Carolina received funding from the Boards of Education of Wake County, Johnston County, Durham County, and Nash-Rocky Mount Public Schools.

Furthermore, The Exploris School, North Carolina has received donations of cash and/or equipment from private organizations. The cash is available to be used throughout the year for the School's various programs and activities.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

1. Summary of Significant Accounting Policies (Continued)

F. Revenues, Expenditures, and Expenses (Continued)

2. Reconciliation Between Government-Wide and Fund Statements

The governmental fund statement of revenues, expenditures, and changes in fund balance is followed by a reconciliation between the change in governmental funds' fund balance and the change in governmental activities' net position as reported on the government-wide statement of activities. The net difference of \$53,458 between the two amounts consists of the following elements:

Capital outlay expenditures recorded in the fund statements but capitalized as assets on the statement of activities.	\$ 6,800
Depreciation expense that is recorded on the statement of activities but not in the fund statements.	(150,722)
The investment in joint venture expense consumes current financial resources, however does not have any effect on net position.	70,000
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements.	96,801
Some reductions in expenses reported in the statement of activities do not relate to current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	<u>30,579</u>
Total	<u>\$ 53,458</u>

G. Use of Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

2. Detail Notes on All Funds

A. Assets

1. Deposits

At June 30, 2016, the School had deposits with banks and savings and loans with a carrying amount of \$807,409. The bank balance with the financial institutions was \$846,980, of which \$596,980 was not covered by federal depository insurance. The School does not have a deposit policy for custodial credit risk.

2. Capital Assets

Capital asset activity for the year ended June 30, 2016, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 6,800	\$ -	\$ 6,800
Total capital assets not being depreciated	<u>-</u>	<u>6,800</u>	<u>-</u>	<u>6,800</u>
Capital assets being depreciated:				
Furniture	22,891	-	-	22,891
Electronic equipment	213,541	-	-	213,541
Leasehold improvements	696,493	-	-	696,493
Total assets	<u>932,925</u>	<u>-</u>	<u>-</u>	<u>939,725</u>
Less accumulated depreciation for:				
Furniture	19,536	922	-	20,458
Electronic equipment	193,358	10,820	-	204,178
Leasehold improvements	104,924	138,980	-	243,904
Total accumulated depreciation	<u>317,818</u>	<u>150,722</u>	<u>-</u>	<u>468,540</u>
Governmental activity capital assets, net	<u>\$ 615,107</u>			<u>\$ 471,185</u>

Depreciation expense was charged to governmental functions as follows:

Instructional programs	\$ 149,800
Supporting services	<u>922</u>
	<u>\$ 150,722</u>

3. Investment in Joint Venture

An operating agreement was executed in April 2016 in which the School has a fifteen percent membership and profit and loss allocation interest in Exploris Development Group, LLC (the "Venture"). The entity was formed to hold a parcel of land that was purchased in April 2016, and to develop the property for a permanent downtown Raleigh campus for the School. The investment was recorded at an initial cost of \$70,000 and adjusted for the School's share of earnings, cash contributions and distributions, which totaled \$0 for the year ending June 30, 2016. The investment balance at June 30, 2016 totaled \$70,000.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

2. Detail Notes on All Funds

4. Fair Value Measurements

To the extent available, the School's investment is recorded at fair value as of June 30, 2016. GASB Statement No. 72 - Fair Value Measurement and Application, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

- Level 1 Investments whose values are based on quoted prices (unadjusted) for identical assets (or liabilities) in active markets that a government can access at the measurement date.
- Level 2 Investments with inputs – other than quoted prices included within Level 1 – that are observable for an asset (or liability), either directly or indirectly.
- Level 3 Investments classified as Level 3 have unobservable inputs for an asset (or liability) and may require a degree of professional judgment.

The investment in joint venture classified in Level 3 of the fair value hierarchy is valued at \$70,000 as of June 30, 2016 using the equity method of accounting for estimates.

The following table summarizes the School's investment measured on a recurring basis within the fair value hierarchy at June 30, 2016:

	<u>Fair Value</u>	<u>Level 3</u>
Investment type		
Investment in joint venture	<u>\$ 70,000</u>	<u>\$ 70,000</u>

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

2. Detail Notes on All Funds (Continued)

B. Liabilities

1. Pension Plan Obligations

The School does not participate in the North Carolina Teachers' and State Employees' Retirement System. The School has established a deferred compensation plan. Under the plan, all full-time employees who meet certain eligibility requirements can participate. The School matches 50% of employee contributions up to 4%. The expenses of the Plan totaled \$23,858, \$18,520, and \$13,105 for the years ended June 30, 2016, 2015, and 2014, respectively.

2. Deferred Inflows of Resources

The balance in deferred inflows of resources at year-end is composed of the following elements:

	Unearned Revenue
Unearned Grant Revenue	\$ <u>13,320</u>

3. Risk Management

The School is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School maintains general liability and errors and omissions insurance coverage of \$1 million per occurrence with a commercial carrier.

The School has obtained a major medical insurance policy for its personnel through a commercial insurer. Through the plan, permanent, full-time employees of the School are eligible to receive health care benefits.

The School carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and claims have not exceeded coverage in any of the past two fiscal years.

The School has elected not to carry flood insurance because the School is not in an area of the state that has been mapped and designated an "A" area (an area close to a river, lake or stream) by the Federal Emergency Management Agency.

The School carries fidelity bond coverage in the amount of \$250,000 for all its employees.

4. Long-Term Obligations

a. Notes Payable

In November 2014, the School entered into a loan with a local bank with a fixed interest rate of 5.28%. Payments of \$9,030 including principal and interest are payable monthly through maturity in December 2017, at which time the entire unpaid balance of principal and interest is due. The note is secured by leasehold improvements. The outstanding balance on the note totaled \$157,427 as of June 30, 2016.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

4. Long-Term Obligations (Continued)

a. Notes Payable (Continued)

Annual debt service requirements to maturity for notes payable are as follows for the years ending June 30:

	<u>Principal</u>	<u>Interest</u>
Year Ending June 30, 2017	\$ 102,539	\$ 5,821
Year Ending June 30, 2018	54,888	849
	\$ 157,427	\$ 6,670

b. Changes in General Long-Term Obligations

The following is a summary of changes in the School's long-term obligations for the fiscal year ended June 30, 2016:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Governmental activities:					
Note payable	\$ 254,228	\$ -	\$ 96,801	\$ 157,427	\$ 102,539
Compensated absences	30,579	-	30,579	-	-
Total	\$ 284,807	\$ -	\$ 127,380	\$ 157,427	\$ 102,539

c. Operating Leases

Effective July 2009, the School entered into an operating lease for the school building. The lease currently requires monthly payments of \$15,361 increasing annually based on either the CPI or the increase in per pupil allotment. Effective September 2014, the lease was \$15,530 per month. The lease expires August 31, 2024.

In July 2014, the School entered into a ground lease agreement as well as a modular lease agreement. The ground lease expired in June 2016, and a one year renewed option was exercised through June 2017 which requires monthly rentals ranging from \$3,500 to \$4,166. The modular lease agreement matures in September 2017 and requires monthly payments of \$6,840. Additionally, the School leases various equipment under lease agreements expiring at various dates through November 2017. Monthly payments range from \$320 to \$620.

Rent expense for the year ended June 30, 2016 under noncancelable lease agreements totaled \$331,384.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

2. Detail Notes on All Funds (Continued)

B. Liabilities (Continued)

4. Long-Term Obligations (Continued)

c. Operating Leases (Continued)

The following is a schedule of the future minimum lease payments as of June 30:

<u>Year Ending June 30,</u>	
2017	\$ 343,188
2018	217,520
2019	197,125
2020	201,068
2021	205,089
2022-2025	<u>658,404</u>
	<u>\$ 1,822,394</u>

C. Fund Balance

The Exploris School has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: federal funds, State funds, local non-School funds, The Exploris School funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the School.

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation:

Total fund balance	\$ 693,692
Less:	
Prepaid Items	(29,078)
Security Deposit	<u>(15,658)</u>
Remaining fund balance	<u>\$ 648,956</u>

3. Related Party Transactions

One employee of the School serves as member of the governing board of The Exploris School. For the fiscal year ended June 30, 2016, this employee was paid a salary of \$98,419 from the State Public School Fund.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2016

4. Summary Disclosure of Significant Contingencies

Federal and State Assisted Programs

The School has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant moneys to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

5. Change in Accounting Principles

The School implemented Governmental Accounting Standards Board (GASB) Statement 72, *Fair Value Measurement and Application*, in the fiscal year ended June 30, 2016. In accordance with GASB Statement 72, guidance is provided for determining fair value measurements for financial reporting and disclosure purposes.

6. Significant Effects of Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through November 22, 2016, which is the date the financial statements were available to be issued.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**All Governmental Fund Types**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**Year Ended June 30, 2016**

Statement 1

	2016		Favorable (Unfavorable) Variance
	Final Budget	Actual	
Revenues:			
State of North Carolina Board(s) of Education:	\$ 2,270,526	\$ 2,270,526	\$ -
Wake County	921,365	924,868	3,503
Johnston County	27,229	31,164	3,935
Durham County	12,353	12,539	186
Nash-Rocky Mount	1,355	1,405	50
U.S. Government	80,917	80,737	(180)
Contributions and donations	-	106,235	106,235
Grants	60,000	78,754	18,754
Field Trips	-	106,186	106,186
Other	6,000	37,974	31,974
Total	<u>3,379,745</u>	<u>3,650,388</u>	<u>270,643</u>
Expenditures:			
Current:			
Instructional services:			
Regular programs	2,000,460	1,929,041	71,419
Special programs	205,524	209,810	(4,286)
School leadership programs	288,098	374,548	(86,450)
Co-Curricular programs	-	11,286	(11,286)
School based support programs	44,500	69,348	(24,848)
Total instructional programs	<u>2,538,582</u>	<u>2,594,033</u>	<u>(55,451)</u>
Support services:			
Operational support	189,000	79,585	109,415
Finance and human resources	68,663	78,059	(9,396)
Policy, leadership and public relations	419,172	404,383	14,789
Total support services	<u>676,835</u>	<u>562,027</u>	<u>114,808</u>

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**All Governmental Fund Types**  
**Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual**  
**Year Ended June 30, 2015**  
**(Continued)**

Statement 1

	2016		Favorable (Unfavorable) Variance
	Final Budget	Actual	
Capital outlay	\$ -	\$ 6,800	\$ (6,800)
Debt Service			
Principal	108,360	96,801	11,559
Interest	-	11,559	(11,559)
Total debt service	108,360	108,360	-
Total expenditures	3,323,777	3,271,220	52,557
Other financing sources (uses):			
Investment in joint venture expense	-	(70,000)	(70,000)
Fund Balance Appropriated	(55,968)	-	55,968
Total other financing sources and (uses)	(55,968)	(70,000)	(14,032)
Excess of revenue over expenditures	\$ -	\$ 309,168	\$ 309,168

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**Proprietary Fund Types**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual (Non - GAAP)**  
**Year Ended June 30, 2016**

Statement 2

	2016		Favorable (Unfavorable) Variance
	Final Budget	Actual	
Revenues:			
Child care fees	\$ 55,000	\$ 71,471	\$ 16,471
Total revenues	<u>55,000</u>	<u>71,471</u>	<u>16,471</u>
Expenditures:			
Salaries and benefits	37,998	39,523	(1,525)
Materials and supplies	-	105	(105)
Total expenditures	<u>37,998</u>	<u>39,628</u>	<u>(1,630)</u>
Revenues over expenditures	<u>17,002</u>	<u>31,843</u>	<u>14,841</u>
Other financing sources (uses):			
Fund balance appropriated	<u>(17,002)</u>	-	<u>17,002</u>
Total other financing sources (uses)	<u>(17,002)</u>	<u>-</u>	<u>17,002</u>
Revenues and other sources over expenditures	<u>\$ -</u>	31,843	<u>\$ 31,843</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Change in net assets		<u>\$ 31,843</u>	

Caroline P. Abbott  
Jeffrey A. Brovet  
Kristen T. Hoyle  
David A. Johnson



B139

Chris P. Judy  
James K. Tiller  
David W. Tucker  
Geri H. Lail

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
The Exploris School  
Raleigh, North Carolina

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, the business-type activities, each major fund, and the aggregate remaining fund information of the The Exploris School, North Carolina as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise The Exploris School, North Carolina's basic financial statements, and have issued our report thereon dated November 22, 2016.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered The Exploris School, North Carolina'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 The Exploris School, North Carolina's internal control. Accordingly, we do not express an opinion on the effectiveness of The Exploris School, North Carolina'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 The Exploris School, North Carolina'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.

A handwritten signature in black ink that reads "Thomas, Judy & Duckert, P.A." The signature is written in a cursive, flowing style.

November 22, 2016

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH THE UNIFORM GUIDANCE AND THE STATE  
SINGLE AUDIT IMPLEMENTATION ACT**

To the Board of Directors  
The Exploris School  
Raleigh, North Carolina

***Report on Compliance for Each Major State Program***

We have audited The Exploris School, North Carolina's compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of The Exploris School, North Carolina's major State programs for the year ended June 30, 2016. The Exploris School, North Carolina's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of The Exploris School, North Carolina's major State 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 applicable sections of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, the Uniform Guidance, and the State Single Audit Implementation Act 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 State program occurred. An audit includes examining, on a test basis, evidence about The Exploris School, North Carolina'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 State program. However, our audit does not provide a legal determination of The Exploris School, North Carolina's compliance.

### ***Opinion on Each Major State Program***

In our opinion, The Exploris School, North Carolina, 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 State programs for the year ended June 30, 2016.

### ***Report on Internal Control over Compliance***

Management of The Exploris School, North Carolina, 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 Exploris School, North Carolina's internal control over compliance with the types of requirements that could have a direct and material effect on each major State program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Exploris School, North Carolina's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Thomas, Judy & Ducker, P.A.*

November 22, 2016

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
 For the Fiscal Year Ended June 30, 2016

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness identified?  Yes  No
- Significant deficiencies?  Yes  None Reported
- Noncompliance material to financial statements noted?  Yes  No

State Awards

Internal control over major State programs:

- Material weakness identified?  Yes  No
- Significant deficiency identified that is not considered to be a material weakness?  Yes  None Reported

Type of auditors' report issued on compliance for major State programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?  Yes  No

Identification of major State programs:

Program Name  
 State Public School Fund

SECTION II – FINANCIAL STATEMENT FINDINGS

No Findings

SECTION III – STATE AWARD FINDINGS AND QUESTIONED COSTS

None noted.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
For the Fiscal Year Ended June 30, 2016

**Finding 2015 - 1**

Status: Corrected. The School obtained new lease agreements which included required verbiage.

**Finding 2015 - 2**

Status: Corrected. The School adopted a tuition and fees policy during the year ended June 30, 2016.

**THE EXPLORIS SCHOOL, NORTH CAROLINA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
Year Ended June 30, 2016

<u>Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>State/ Pass-through Grantor's Number</u>	<u>Expendi- tures</u>
<b>Federal Grants:</b>			
<b>Cash Assistance:</b>			
<u>U.S. Department of Education</u>			
Passed-through the N.C. Department of Public Instruction:			
Improving America School Act of 1994 (IASA)			
<u>IDEA VI Cluster</u>			
IDEA VI-B	84.027	PRC 060	\$ 80,012
IDEA VI-B Targeted Assistance	84.027A	PRC 118	<u>725</u>
Total U.S. Department of Education			<u>80,737</u>
Total Federal Assistance			<u>80,737</u>
<b>State Grants:</b>			
<b>Cash Assistance:</b>			
N.C. Department of Public Instruction:			
State Public School Fund - Charter Schools	xxxx	PRC 036	2,263,101
Summer Reading	xxxx	PRC 016	<u>7,425</u>
Total N.C. Department of Public Instruction			<u>2,270,526</u>
Total State Assistance			<u>2,270,526</u>
Total Federal and State Assistance			<u>\$ 2,351,263</u>

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and State awards includes the federal and State grant activity of The Exploris School and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited. The Exploris School has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3: Cluster of Programs

The following are clustered by the NC Department of Public Instruction and are treated separately for state audit requirement purposes: Title VI-B.



**MEMORANDUM OF UNDERSTANDING**  
**Communities In Schools of Wake County**  
**and**  
**Exploris Charter School**

**I. Background and Introduction**

This document defines the responsibilities of Communities In Schools of Wake County (CIS Wake) and Exploris Charter School. The following agreement is designed to assist CIS Wake and Exploris Charter School in the delivery of effective programs. By bringing caring adults and resources into Exploris Charter School to address students' unmet needs, CIS Wake creates a comprehensive, coordinated and accountable system. CIS Wake ensures that the services provided by an array of partners are interconnected and integrated to provide support based on assessed student and school needs as reflected in the 2018 - 2019 annual School Support Plan and Exploris Charter School's most current School Improvement Plan.

In the spirit of creating a strong partnership on behalf of students, families and the community, CIS Wake and Exploris Charter School agree to collaborate toward accomplishing the CIS mission and assume the responsibilities identified in this agreement.

The mission of CIS Wake is to surround students with a community of support, empowering them to stay in school and achieve in life. CIS Wake works toward fulfilling its mission by providing academic case management and partners with schools to impact students' academic success in 3 areas: **Attendance, Behavior, and Course Work or the ABCs**. Per CIS Wake's award of the School Safety and School Climate grant, CIS Wake will partner with Exploris Charter School to impact student behavior, provide mental health awareness technique and strategies to teachers and parents, and refer and subsidize mental health assessments and students who once assessed, may need support.

**I. Communities In Schools of Wake County will:**

1. Designate an individual to coordinate services and programs and to serve as liaison to school administrators, agencies and volunteers. At the time of this agreement, Ms. Tara Delgado, serves as Success Coach for Exploris Charter School.
2. In collaboration with school site leadership, develop and facilitate an annual School Support Plan that provides written expectations and goals for each school year by which the effectiveness of the services delivered can be evaluated.
3. Secure parental consent via signed registration forms for students participating in CIS Wake programming. The registration forms permits: students to participate in programs and events, authorizes CIS Wake to receive confidential information from JumpRope including data progress and commentary, report cards, EOG/EOC data, attendance, discipline, medical, interviews, and economic information as needed), authorizes transportation of

students, permit media coverage, grants permission to administer emergency medical treatment, permission to provide snacks, and permission to refer students and families to other agencies.

4. Identify school site personnel to serve on the Success Coach's School Support Team. These key persons will serve as the Success Coach's immediate support for acquisition of data and input relative to implementation of the Success Coach program.
5. Provide timely and consistent communication with school site leadership regarding problems or issues in the effective delivery of the programs and/or services.
6. Provide opportunities for the school to access services for students, teachers and families. Programs and services are aligned with the WCPSS contract requirements as well as based on the CIS Five Basics which include:
  - A one-on one-relationship with a caring adult (mentors, tutors);
  - A safe place to learn and grow (after-school programs/cultural, social and sporting events, family strengthening);
  - A healthy start and a healthy future (access to health services and education);
  - A marketable skill to use upon graduation (career fairs, college access, career planning); and
  - A chance to give back to peers and community (service learning opportunities).
7. Measure progress of agreed upon outcomes specified in the annual School Support Plan. Gather student data related to outcome measurement and goal planning and enter the data into the CIS Data Management System (CISDM) and the monthly report submitted to Exploris.
8. Provide periodic reports to site leadership, based on progress toward goals in the annual School Support Plan.
9. Provide periodic access to adjacent CIS Wake spaces for Exploris personnel for the purposes of recruitment, expanded meeting space, and expanded student space.
10. Work collaboratively with Exploris to seek collaborative funding opportunities.
11. Maintain the security and confidentiality of all student information.

## **II. Exploris Charter School will:**

1. Provide a staff person as point of contact and serve as liaison to Communities In Schools of Wake County. At the time of this agreement, Ms. Michelle Duncan, Counselor, serves as this contact person.
2. Develop and continue open communication with the CIS Wake's Senior Director of School Programs and the CIS Wake Success Coach on a frequent basis to provide timely and consistent information regarding problems or issues, at the time of this agreement Mrs. DeWand Hooper serves as the CIS Wake Senior Director of School Programs.
3. Work with the Success Coach to select students for the caseload who meet the specified criteria for participation.
4. Communicate in writing request for additional expectations relative to the role of the Success Coach that is not already described in the job description to the Senior Director, School Programs.

5. Support CIS Wake in efforts to maintain a maximum 40 hour work week for the Success Coach and communicate in writing request for extended work hours to CIS Wake's Senior Director, School Programs in advance of CIS Wake semi-monthly pay period. At the time of this agreement, the grant specifies a 30 hour work week for the Success Coach Position.
6. Provide access to a workspace location on the campus for the appropriate delivery of programs and services, including telephone, internet, and printing capabilities and adequate spacing for student group activities. At the time of this agreement, the Success Coach will work from CIS Wake offices if and when necessary due to limited space on Exploris campuses.
7. Support CIS Wake in adherence to procedures as outlined in the CIS National's Total Quality Standards (TQS) Accreditation Process.
8. Support the ethical mandate that student confidentiality is a CIS Wake policy.
9. Treat the CIS Wake Success Coach as a member of the Exploris Charter School team.
10. Make relevant student data available to CIS Wake in a timely manner for the purpose of monitoring and evaluating student progress, including items such as student attendance, grades, behavior incidents, and promotion/graduation status. Allow CIS Wake to enter relevant student data into the CIS Data Management System (CISDM).
11. Provide a certificate of liability documenting coverage including CIS Wake-Duke Energy Learning Center, 781 Bright Creek Way, Raleigh, NC 27601.

**School Support Team Members will:**

1. Collaborate with the Success Coach to compile a thorough profile of "at promise" students in order to best address student needs and to not duplicate services. This will include review of the students' behavior and academic profiles and basic needs, as well as the completion of Referral Forms for students who do not meet selection criteria.
2. Collaborate with the Success Coach to conduct a School Needs Assessment in order to best address school wide needs. This collaboration will include review of existing programs and/or expressed needs for: parent engagement, language translation, academic supports, behavior supports, club activities, etc.

**Teachers will:**

1. Consider the Success Coach an ally with which to collaborate when students on the caseload are struggling in their ABCs and keep the Success Coach up-to-date on student progress.
2. When appropriate include the Success Coach in conferences with students and parents so that the Success Coach may support implementation of agreed upon action plans.
3. Send students on the Success Coach's caseload to the Success Coach's office during class if student need a "cool down" period or need a less distracting environment in which to complete work.

4. Support Success Coach's initiatives by reading and responding to letters and emails from the Success Coach regarding programming or enrichment opportunities and ensure students participate in programming at the agreed upon time and place.

**Overall Partnership Goals**

Create a cohesive partnership between CIS Wake and Exploris Charter School, allowing for community partnerships, volunteer resources, academic case management and academic enrichment services to be delivered to students attending Exploris Charter School

**Duration**

This agreement will cover programs and services provided during the time period between October 29, 2018, and June 30, 2019.

**Modifications**

This agreement may be amended at any time by an agreement in writing executed by authorized representatives of Communities In Schools of Wake County and Exploris Charter School.

*"No indebtedness of any kind, incurred or created, by the charter school shall constitute an indebtedness of the State or its political subdivisions and no indebtedness of the charter school shall involve or be secured by the faith, credit or taxing power of the State or its political subdivisions" (NCGS 115C-238.29H(a)).*

Communities In Schools of Wake County

Exploris Charter School



Executive/Program Director



Principal

November 1, 2019

Date

11/1/19

Date



STATE OF NORTH CAROLINA  
COUNTY OF ORANGE

AGREEMENT BETWEEN  
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL  
For THE TEACCH AUTISM PROGRAM (TEACCH) AND  
THE EXPLORIS SCHOOL

This Agreement made and entered into this 8<sup>TH</sup> day of February, 2019, by and between the University of North Carolina at Chapel Hill for its TEACCH Autism Program ("TEACCH"), within the UNC School of Medicine, hereinafter referred to as the "UNIVERSITY," and THE EXPLORIS SCHOOL hereinafter referred to as "CONTRACTOR."

WITNESSETH:

WHEREAS, the UNIVERSITY has established an Autism Program known as TEACCH, under the North Carolina Area Health Education Centers ("AHEC") program; and

WHEREAS, with seven regional centers across the state and the Carolina Living and Learning Center, a residential center in Pittsboro, TEACCH is a clinical, training, and research program for individuals of all ages and skill levels with autism spectrum disorders; and

WHEREAS, the UNIVERSITY, through TEACCH, is able to provide identification, evaluation and education of children and adults with autism and related disorders of communication, including the provision of consultation and support to services for children and adults with autism spectrum disorder; and

WHEREAS, CONTRACTOR desires to engage the UNIVERSITY, through TEACCH, for the provision of certain professional services, as set forth herein; and

WHEREAS, The University desires to provide such services under the terms and conditions set forth herein; and

WHEREAS, performance of the activity described herein is consistent with The University's goals of research, teaching, education, and public service.

NOW, THEREFORE, in consideration of the premises and of the following mutual promises, covenants, and conditions, the UNIVERSITY and CONTRACTOR agree as follows:

1. The UNIVERSITY, through TEACCH, shall provide certain services as set forth below to CONTRACTOR, for the period covering February 15, 2019 through June 30, 2019. Dates and locations for each training/consultation will be mutually agreed upon. Such services shall include the following:

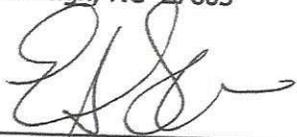
½ Day TEACCH Workshops – Dates to be determined  
Consultation at mutually agreed upon dates and times

2. The UNIVERSITY, through TEACCH, shall be reimbursed by CONTRACTOR at a rate of \$500.00 per half day training and \$100.00 per hour of consultation. Total estimated fees not to exceed \$2500.00 CONTRACTOR agrees to pay all invoices for services provided by the UNIVERSITY within 30 days of receipt.
3. The parties agree that the compensation provided herein has been determined in arm's length bargaining and is consistent with fair market value in arm's-length transactions. Furthermore, The UNIVERSITY's compensation is not and has not been determined in a manner that takes into account the volume or value of any referrals or business otherwise generated for or with respect to the UNIVERSITY or between the parties for which payment may be made in whole or in part under Medicare or any state health care program or under any other payor program
4. The person (or persons) whose services are to be provided pursuant to the agreement is (are) for all purposes an employee of the UNIVERSITY.
5. This Agreement shall be for the period February 8, 2019 to June 30, 2019. This Agreement may be terminated at any time without penalty by either party provided that written notice of such termination is furnished to the other party at least sixty (60) days prior to termination. Notwithstanding the foregoing provision, in the event of termination by CONTRACTOR, CONTRACTOR shall be responsible for any expenses reasonably incurred by TEACCH in its preparation for the services, including the cost of airfare purchased prior to TEACCH's receipt of notice of termination.
6. CONTRACTOR hereby agrees with the UNIVERSITY that, in its educational and/or employment practices, CONTRACTOR will comply with such nondiscrimination laws as may be applicable to it in the performance of this Agreement.
7. Each party shall be solely liable for any claims, actions, demands, or damages arising out of its performance of this Agreement.
8. The UNIVERSITY shall maintain professional liability self-insurance, including medical malpractice insurance, for itself in amounts not less than required by the North Carolina Tort Claims Act and adequate professional liability covering its employees or agents that provide professional services under this Agreement.
9. CONTRACTOR shall maintain adequate professional liability and commercial general liability insurance that will cover itself and its employees and agents who perform services pursuant to the Agreement.
10. If any provision of this Agreement is determined to be invalid, such determination shall not affect the validity of the remaining provisions.
11. The waiver by any party of any provision or breach of this Agreement shall not operate or be construed as a waiver of any other provision or subsequent breach.

12. This Agreement is nonassignable and nontransferable by either party without the prior written consent of the other party.
13. The business relationship between the UNIVERSITY and CONTRACTOR shall be that of independent contractor and not employer-employee or principal-agent. Neither party shall have the authority to legally bind the other in contract, debt, or otherwise.
14. This Agreement contains the entire understanding of all parties and shall not be altered, amended or modified except by an Agreement in writing executed by the duly authorized officials of both parties.
15. The laws of North Carolina shall govern the validity and interpretation of the provisions, terms, and conditions of the Agreement.
16. *"No indebtedness of any kind, incurred or created, by the charter school shall constitute an indebtedness of the State or its political subdivisions and no indebtedness of the charter school shall involve or be secured by the faith, credit or taxing power of the State or its political subdivisions" (NCGS 115C-238.29H(a)).*

IN WITNESS WHEREOF, the parties have hereunto signed this Agreement in their official capacities on the day and year listed below.

FOR AND ON BEHALF OF:  
Exploris School  
401 Hillsborough St.  
Raleigh, NC 27603



Ellie Schollmeyer, Exec. Director  
ellie@exploris.org

Date: 2/12/19

FOR AND ON BEHALF OF:  
THE UNIVERSITY OF NORTH  
CAROLINA AT CHAPEL HILL



Acting for A. Wesley Burks, MD  
~~William L. Roper, M.D., MPH~~  
Dean, School of Medicine and  
Vice Chancellor for Medical Affairs

Date: 2/27/2019

## AGREEMENT

This AGREEMENT is made between The Fletcher Academy, School of Achievement, Inc. ("TFA") and The Exploris Charter School, Inc. ("PARTNER SCHOOL") effective as of the 1st day of July, 2018 (the "Effective Date"). PARTNER SCHOOL desires for TFA to administer an in-school reading tutoring program ("Program") for certain PARTNER SCHOOL students ("Participants"), and TFA desires to administer the Program and provide such services pursuant to the terms of this Agreement.

Therefore, TFA and PARTNER SCHOOL agree as follows:

1. Term and Termination. This Agreement shall commence as of the Effective Date and continue for a 12-month term ("Term"), unless agreement is terminated prior to the end of the term. Either party may terminate this Agreement within thirty (30) days' upon having provided written notice to the other party. If at the end of the 12-month term no notice of termination is given by either party, then this agreement shall be renewed for another 12-month term.

2. TFA Responsibilities.

a. TFA will operate the Program and maintain and responsibility for delivery of Program. TFA will employ instructors to provide tutoring services in the Program, and will provide training in TFA's proprietary reading methodologies. TFA will determine, in its sole discretion, the number of tutors to be utilized in the Program.

b. In consultation with PARTNER SCHOOL, TFA will determine the schedule for the Program, including instructional dates and hours in which tutoring services will be provided, and the total number of tutoring sessions that will be provided.

c. TFA will obtain and maintain workers' compensation coverage for TFA employees while they provide Program services within PARTNER SCHOOL's facilities.

d. TFA will ensure that all of its employees ("TFA Tutoring Personnel") who work on PARTNER SCHOOL's campus and with its students meet background qualifications, including, but not limited to, successful annual criminal background checks to include sex-offender registry checks as specified in Paragraph 8 of this Agreement.

e. TFA will ensure that all TFA Tutoring Personnel are highly qualified instructors who hold relevant degrees, background and experience necessary to successfully perform their instructional tasks. While active teacher certification may be desired, TFA Tutoring Personnel with expired certification shall still be considered acceptable.

3. PARTNER SCHOOL Responsibilities.

a. PARTNER SCHOOL shall designate a liaison responsible for ongoing communication and collaborative planning with TFA Tutoring Personnel.

b. PARTNER SCHOOL shall properly orient TFA Tutoring Personnel to facilitate proper understanding of PARTNER SCHOOL's policies, rules, systems and structures. Orientation shall also include collaborative time with relevant PARTNER SCHOOL faculty members and other school personnel.

c. PARTNER SCHOOL shall provide sufficient and adequate instructional space, furniture network connectivity, shared teacher resources, and access to common faculty facilities within its PARTNER SCHOOL SE Raleigh Charter School location.

d. PARTNER SCHOOL shall treat TFA Tutoring Personnel similar to other approved independent contractors or school volunteers, and PARTNER SCHOOL is responsible for maintaining and sharing up-to-date policies and rules that pertain to volunteers and independent contractors.

4. Joint PARTNER SCHOOL and TFA Responsibilities.

a. PARTNER SCHOOL and TFA shall jointly screen and approve all TFA Tutoring Personnel assigned to PARTNER SCHOOL

b. PARTNER SCHOOL and TFA shall jointly screen and approve Participants for entry into the Program.

c. As PARTNER SCHOOL may wish to provide additional school services outside of what is provided by TFA through its in-school tutoring program, PARTNER SCHOOL and TFA shall jointly define in writing between PARTNER SCHOOL's and TFA's Heads' of School the precise schedule for TFA's tutoring at PARTNER SCHOOL, including any changes or revisions to said schedule.

5. Indemnity. Each party shall defend, indemnify and hold harmless the other party (and its parents, subsidiaries and affiliates, and its and or their directors, officers, employees, and agents) from any and all claims, damages, suits, judgments, fines, settlements, or liabilities of any kind, including damage to property, death, and bodily and personal injury, arising out of or resulting from the negligence, gross negligence or willful misconduct of indemnifying party or its employees and agents.

6. Insurance. PARTNER SCHOOL shall obtain and maintain throughout the Term of this Agreement insurance to sufficiently protect PARTNER SCHOOL and TFA from any and all potential claims or damages, including but not limited to Comprehensive General and Contractual Liability Insurance. TFA shall be named as an additional insured on such liability insurance policies. Copies of certificates of insurance and other insurance documents listing TFA as an additional insured shall be provided to TFA upon request.

7. Confidentiality.

a. Confidential Information and Intellectual Property. PARTNER SCHOOL recognizes and acknowledges that during the term of this Agreement, it and its employees and agents may be given access to and obtain knowledge of the curriculum guides, methodologies, teaching materials, approaches, techniques, and other inventions, works

of authorship, and know-how used by TFA which are of a unique quality, have special value, and are important proprietary assets of TFA's business ("Confidential Information and Intellectual Property"). PARTNER SCHOOL agrees that it will not, during or after the term of this Agreement, disclose or use any Confidential Information and Intellectual Property in any form without the prior, express written consent of TFA, and PARTNER SCHOOL agrees that it will implement policies and procedures prohibiting its employees and agents from doing the same. PARTNER SCHOOL acknowledges and agrees that TFA owns all right, title, and interest in and to the Confidential Information and Intellectual Property and all modifications, enhancements, improvements, derivative works, and compilations thereto and thereof and PARTNER SCHOOL hereby presently, irrevocably, and unconditionally assigns to TFA, and forever waives and agrees never to assert, any and all such right, title, and interest that vests or shall vest in PARTNER SCHOOL. PARTNER SCHOOL acknowledges that any and all work performed and services rendered by PARTNER SCHOOL in connection with this Agreement shall constitute work performed and services rendered solely on behalf of TFA and, in no event, on behalf of any other entity or individual. PARTNER SCHOOL agrees and acknowledges that services under this Agreement require the exchange of Confidential Information and Intellectual Property between TFA and the PARTNER SCHOOL. PARTNER SCHOOL agrees that upon termination of this Agreement, PARTNER SCHOOL will require its employees and agents to:

(i) return to TFA all records, memoranda, data, documents and other property of any type or description which refer or relate in any way to Confidential Information and Intellectual Property, including all copies thereof, which are in its or their possession, custody or control;

(ii) return TFA-owned materials or property of any type or description (including but not limited to keys, credit cards, files, work in process, manuals, forms, computer stored records or work in process and other computer data, research materials, and other items of information concerning students or TFA's business, including all copies thereof) which is in its or their possession, custody or control;

(iii) fully cooperate with TFA in winding up the Program.

b. Remedies. PARTNER SCHOOL acknowledges that its or its employees' or agents' failure to provide by the provisions of this Paragraph 7 would cause irreparable harm to TFA for which legal remedies would be inadequate. Therefore, in addition to any legal or other relief to which TFA may be entitled by virtue of PARTNER SCHOOL's failure to abide by these provisions, TFA may seek legal and equitable relief, including but not limited to preliminary and permanent injunctive relief, for PARTNER SCHOOL's or its employees' or agents' actual or threatened failure to abide by these provisions, and PARTNER SCHOOL will indemnify TFA for all expenses including reasonable attorneys' fees in seeking to enforce these provisions.

8. Criminal Background Checks. TFA shall conduct criminal background checks on all TFA personnel who, pursuant to this Agreement, interact with PARTNER SCHOOL students

or provide services on PARTNER SCHOOL property or attend PARTNER SCHOOL events. TFA shall also conduct an annual check through a reputable background check service "Background Check Provider" of the State Sex Offender and Public Protection Registration Program, the State Sexually Violent Predator Registration Program, and the National Sex Offender Registry; provided, however, if Background Check Provider discovers that TFA personnel have resided in a state other than North Carolina during the seven (7) years prior to worker's placement at PARTNER SCHOOL, Background Check Provider will also conduct checks of the applicable sex-offender registries in each of the individual states in which the worker resided during such 7-year period. Under no circumstances shall any TFA personnel be assigned to work with any PARTNER SCHOOL student or on PARTNER SCHOOL property or at PARTNER SCHOOL events if (1) said worker appears on any of the aforesaid sex-offender registries; (2) said worker has been convicted of a felony; (3) said worker has been convicted of any crime, whether misdemeanor or felony, involving sex, violence or drugs; or (4) said worker has been engaged in any crime or conduct indicating that such worker may pose a threat to the safety or well-being of students or school personnel. TFA shall maintain and shall provide to PARTNER SCHOOL prior to any TFA personnel placement at PARTNER SCHOOL a copy of the results of such background checks and sex-offender registry searches. Upon request, TFA will furnish PARTNER SCHOOL with sufficient information to allow PARTNER SCHOOL to perform its own criminal background checks on TFA personnel. Upon TFA's failure to comply with this Paragraph 8, PARTNER SCHOOL shall have the right to terminate this Agreement effective immediately.

9. Designations and Appointments. TFA, including its directors, officers and employees, is hereby designated by PARTNER SCHOOL as an "other School Official having a legitimate educational interest in education records" for the purposes of the Family Educational Right and Privacy Act, 20 U.S.C. §§ 1232g *et seq.*, as amended ("FERPA").

10. Survival. The provisions of Paragraphs 5–16 shall survive the termination of this Agreement.

11. Non-Exclusivity. This Agreement does not create an exclusive arrangement between TFA and PARTNER SCHOOL or constitute any commitment by TFA, whether express or implied, to provide after-school reading tutoring services only in collaboration with PARTNER SCHOOL.

12. Waiver or Breach. The waiver by either party of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach.

13. Independent Contractor. The parties hereby acknowledge that TFA Tutoring Personnel working at PARTNER SCHOOL are to be treated as independent contractors. In no event shall this Agreement be construed as establishing a partnership, joint venture or similar relationship between the parties hereto, and nothing herein shall be construed to authorize either party to act as agent for the other. Each party shall be liable for its own debts, obligations, acts and omissions, including the payment of all required withholding, social security and other taxes or benefits. TFA Tutoring Personnel shall not be considered employees of PARTNER SCHOOL.

Additionally, because TFA serves as an independent contractor for PARTNER SCHOOL, TFA hereby acknowledges and accepts that "No indebtedness of any kind, incurred or created, by the charter school shall constitute an indebtedness of the State or its political subdivisions and no indebtedness of the charter school shall involve or be secured by the faith, credit or taxing power of the State or its political subdivisions" (NCGS 115C-238.29H(a)).

14. Entire Agreement, Amendment, Severability. This Agreement contains the entire agreement between the parties with respect to the matters set forth herein and supersedes all prior agreements and understandings between the parties with respect to the same. No provision of this Agreement may be amended, modified, deleted, or waived in any manner except by a written agreement executed by the parties. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision.

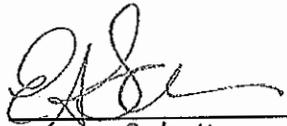
15. Assignment. Neither party shall assign, subcontract or transfer any interest in or obligation under this Agreement to any other entity or individual without the prior written approval of the other party.

16. Governing Law and Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of North Carolina, other than its rules with respect to choice of law. The parties agree that any action or proceeding arising out of this Agreement shall be instituted in the Superior Court of Wake County, North Carolina or in the United States District Court for the Eastern District of North Carolina (assuming such court has subject matter jurisdiction over the action or proceeding). Each of the parties hereby waives any objection that it or s/he may have to the venue of any such action or proceeding, and irrevocably consents to the personal jurisdiction of any such court in any such action or proceeding.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year above written.

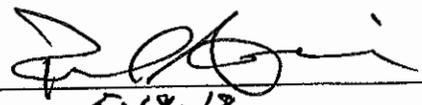
The Exploris Charter School, Inc.

THE FLETCHER ACADEMY,  
SCHOOL OF ACHIEVEMENT, INC.

Sig: 

Name: Ellie Schollmeyer

Title: Head of School

Sig: 

Name: 5-19-18

Title: Head of School

# Change in North Carolina K-12 Population

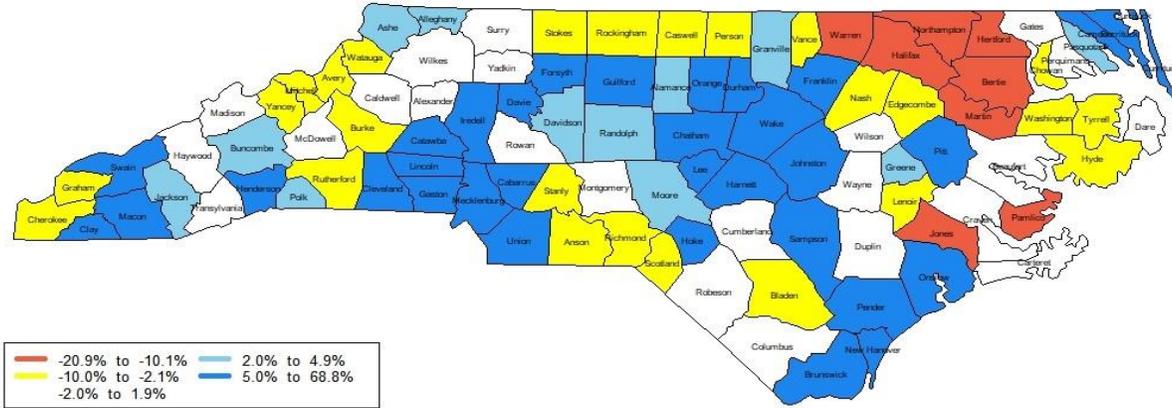
Division of School Business

NC Department of Public Instruction

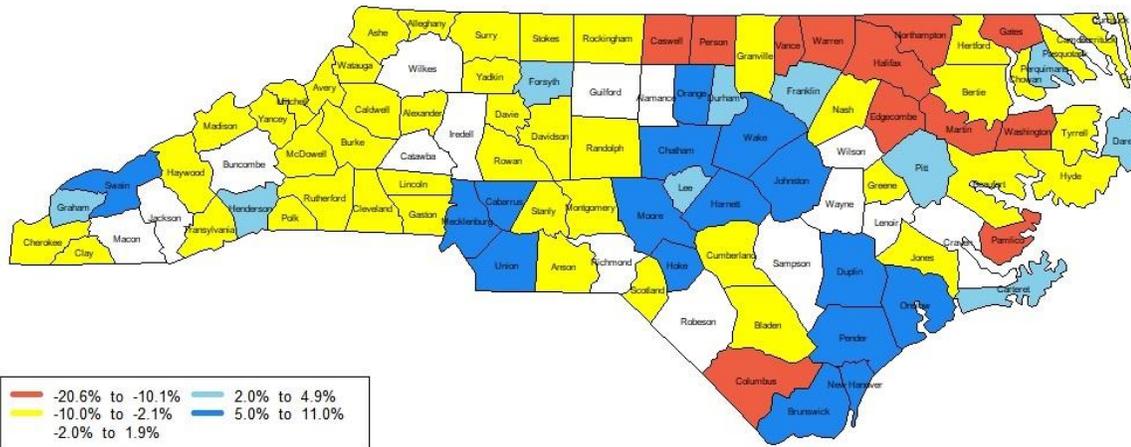


# Change in LEA Average Daily Membership (ADM)

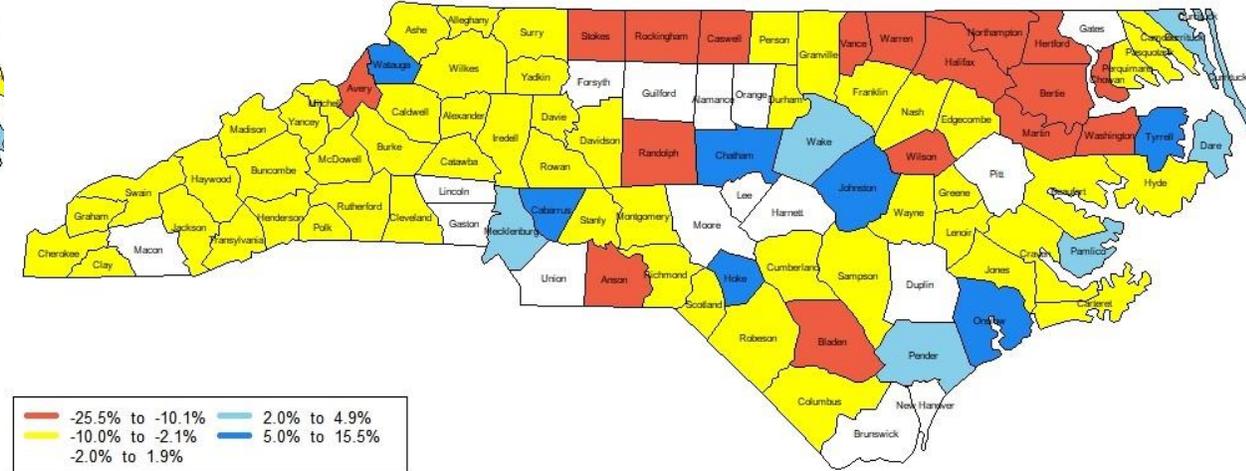
Change between 2003-04 and 2008-09



Change between 2008-09 and 2013-14



Change between 2013-14 and 2018-19



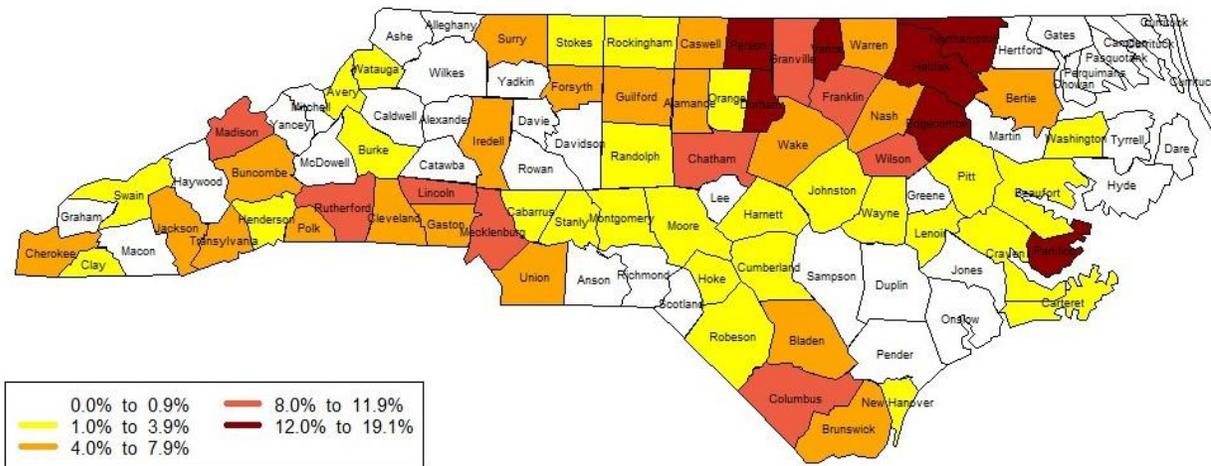
Source: Actual ADM higher of Month 1 and 2

# Percentage of Public School Students in Membership in Charter Schools

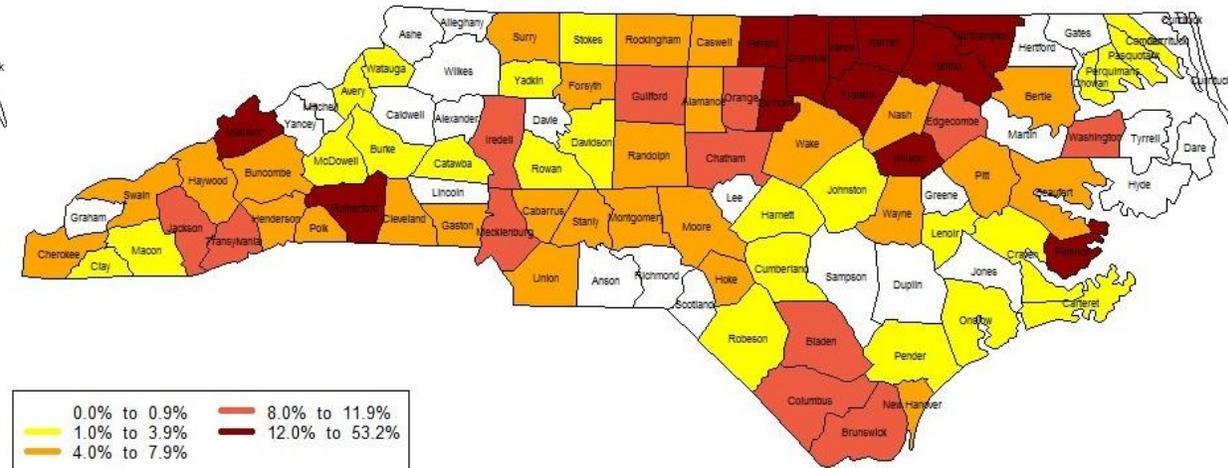
2011 - 2012



2014 - 2015



2017 - 2018



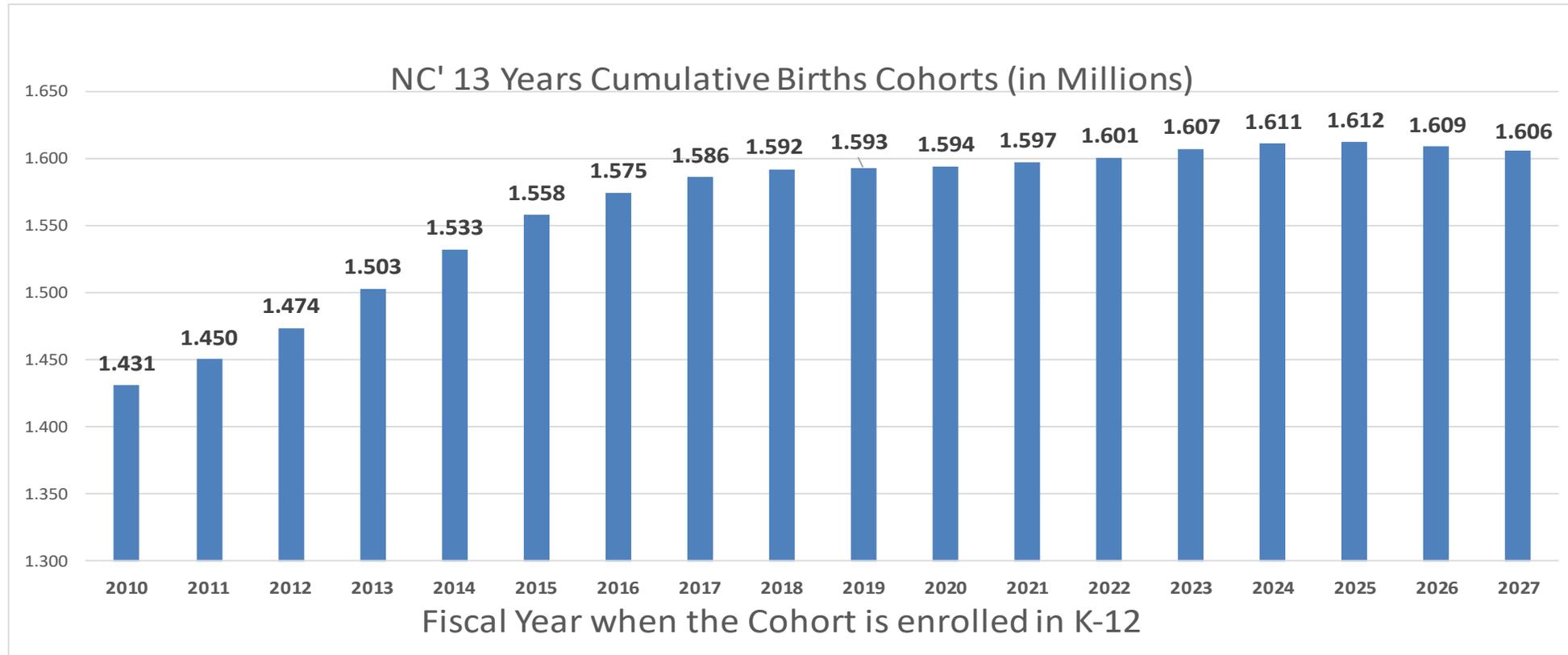
Source: Reported by LEAs. Represents the percentage of K-12 public school students in membership in a charter school students residing in the LEA and in membership in a charter school in the state.

# NC 13 Years Cumulative Births Cohorts

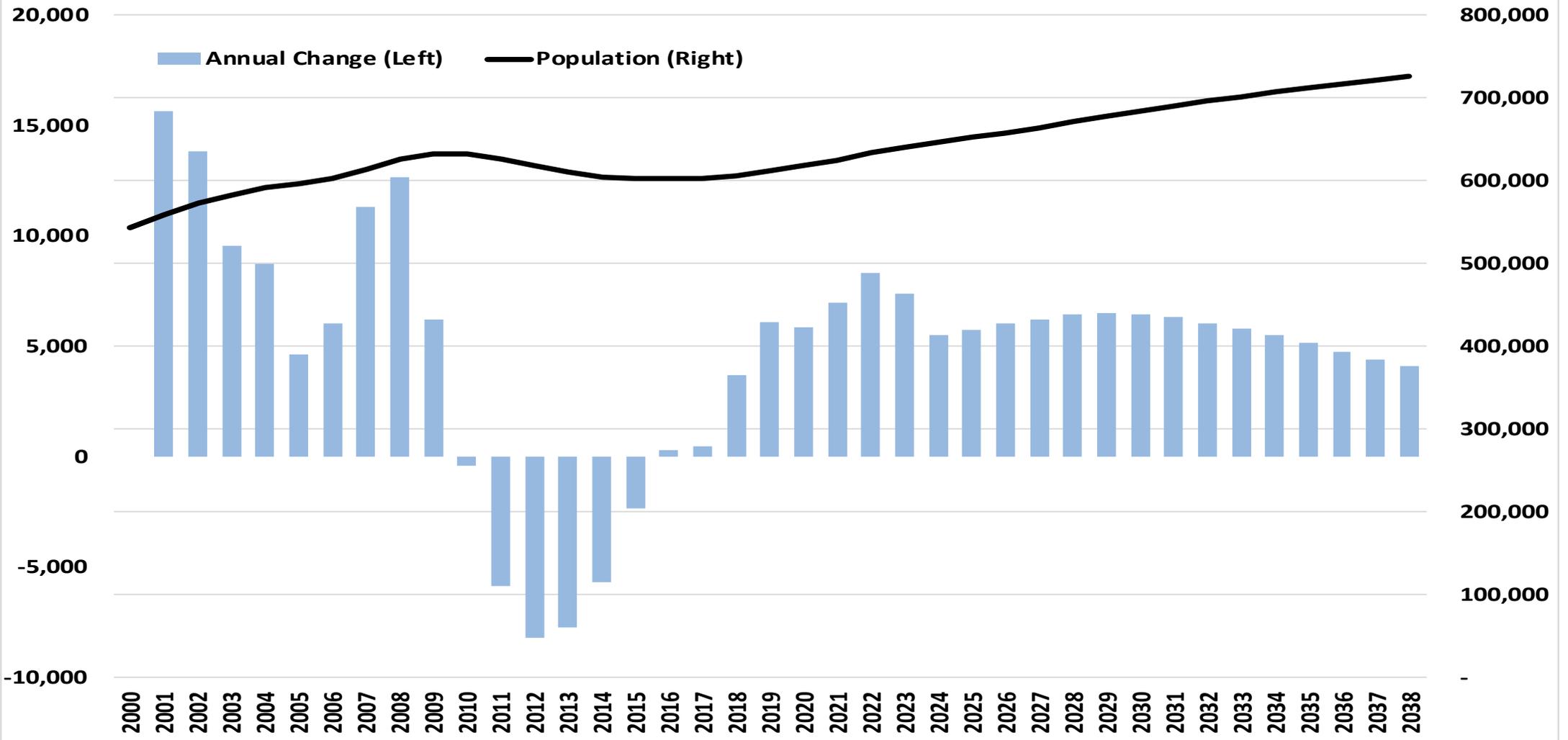
The aggregate total enrollment in K-12 systems (LEA, Charters, Private, Home schooling included) is determined by the size of the cumulative 13 years births cohorts combined with the amount of out of state born students.

Based on Birth Census provided by DHHS and on the projections published by OSBM, the 13 years cumulative cohorts corresponding to fiscal years 2010 -2027 were computed for the chart below.

The cohorts size steadily increase until 2016-17, after which the totals remain relatively constant.

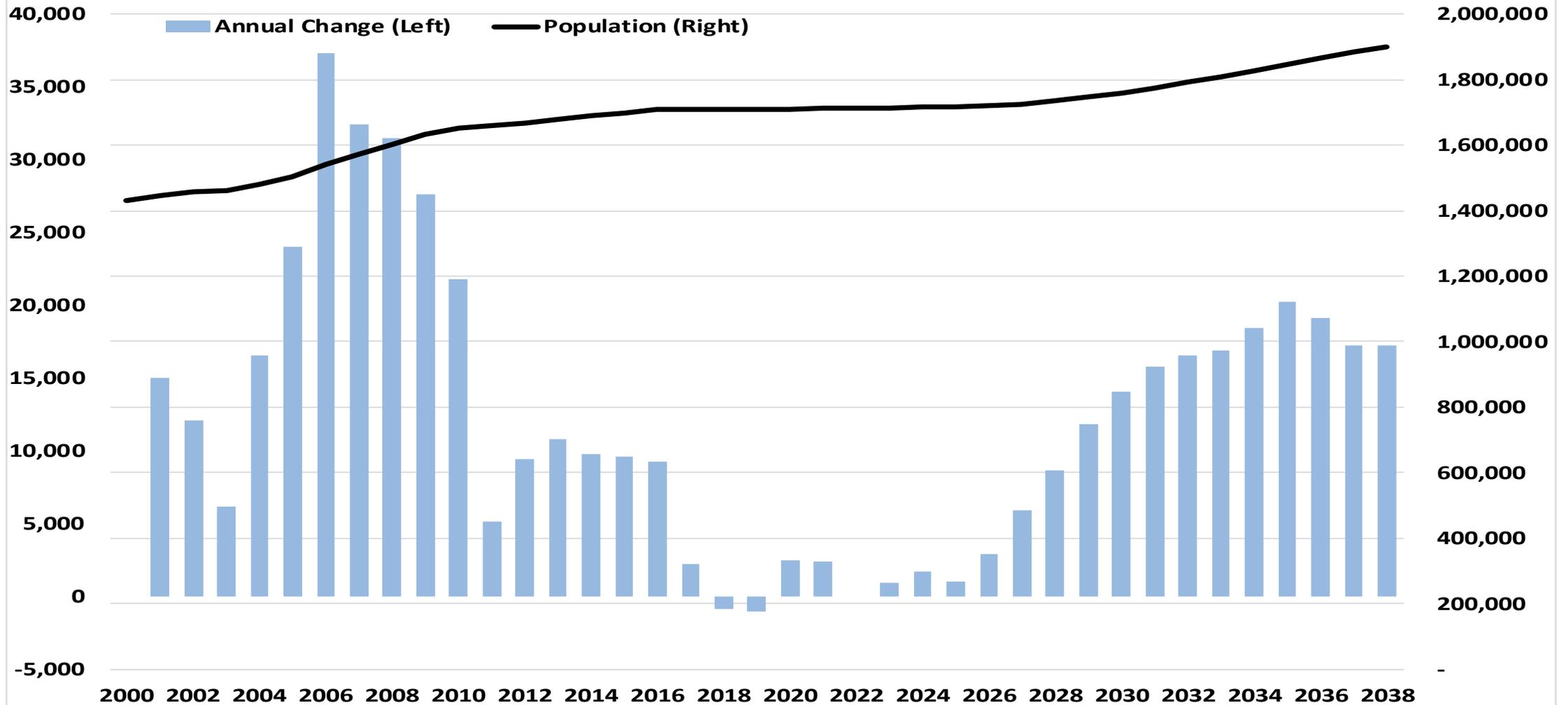


# Change in the Population in Ages 0 - 4, 2000-2038



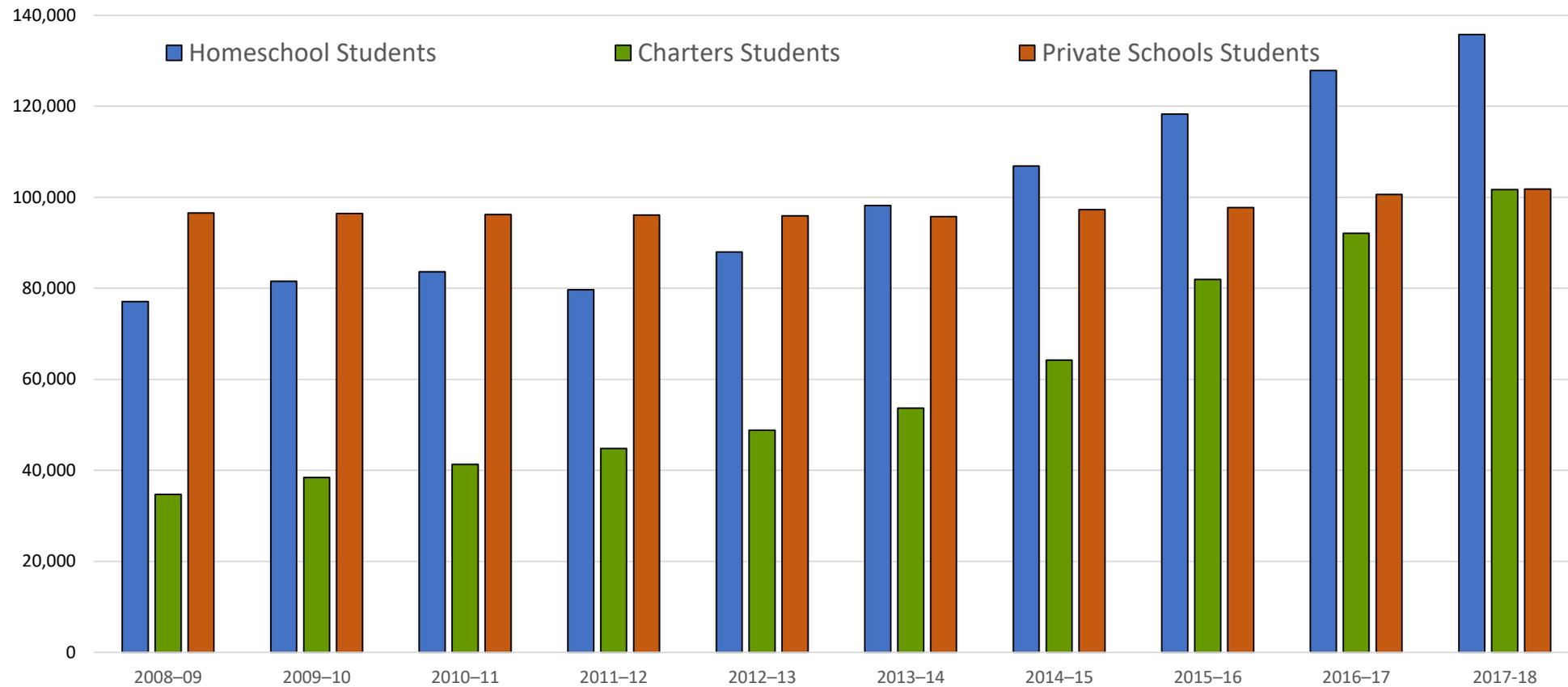
Source: NC OSBM, 2000-2017 Population Estimates and 2018-2038 Population Projections. Population as of July 1.

# Change in the Population in Ages 5 - 17, 2000-2038



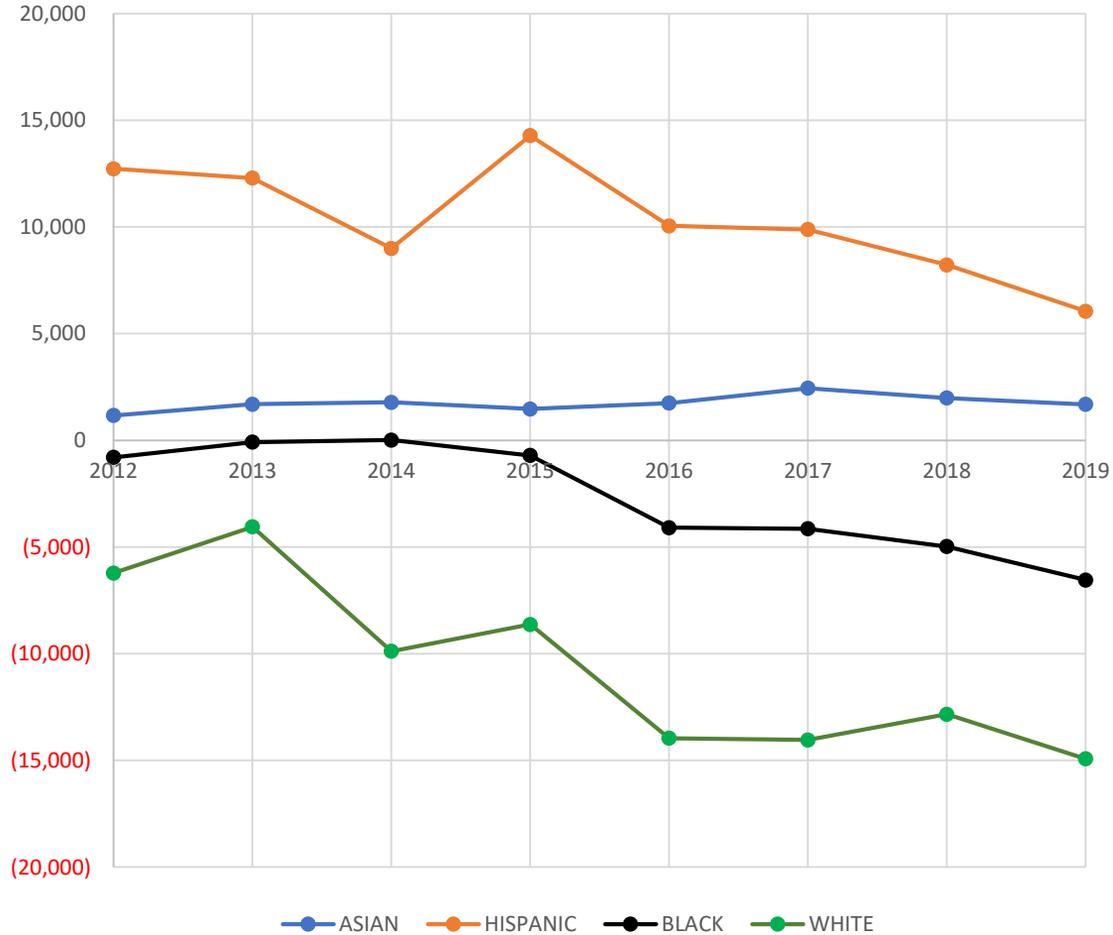
Source: NC OSBM, 2000-2017 Population Estimates and 2018-2038 Population Projections. Population as of July 1.

# Private, homeschool and Public Charter School Students

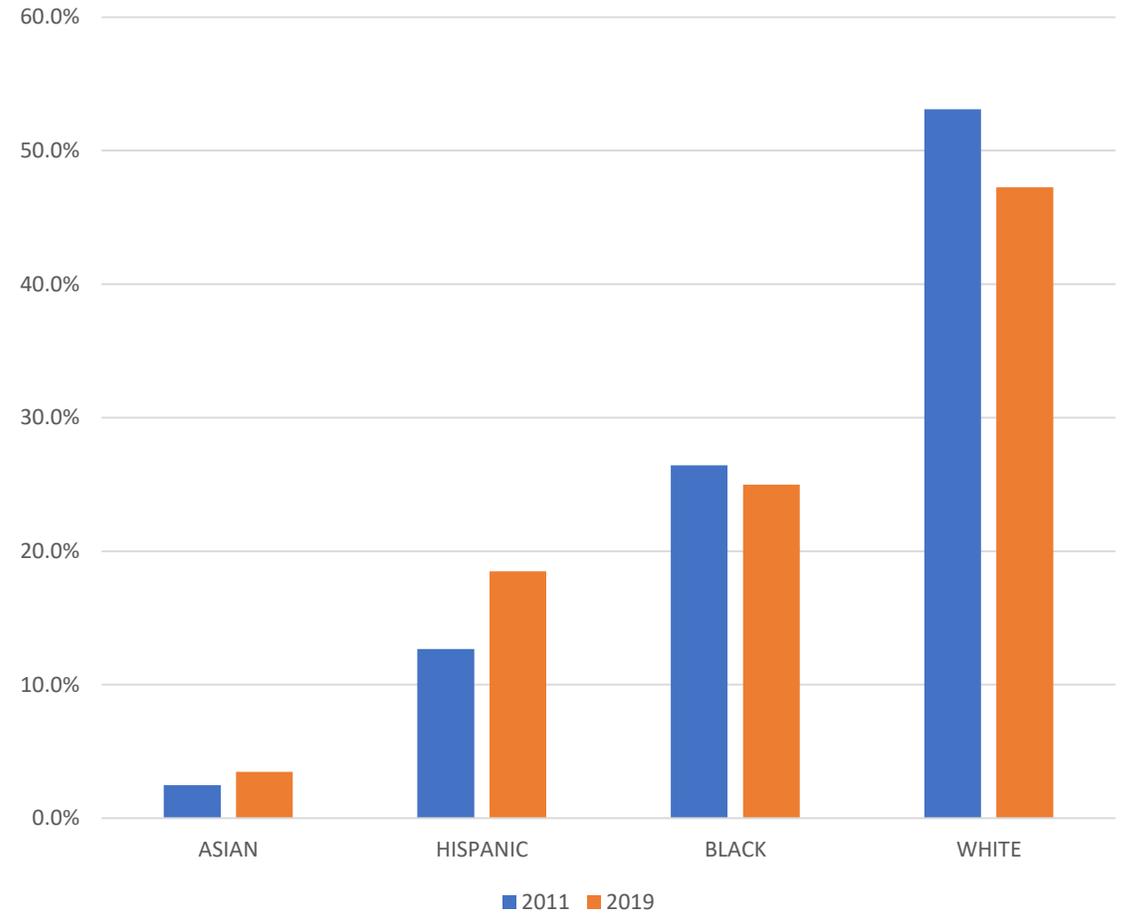


# LEA Membership by Race 2011 to 2019

## Change in student membership by race



## Percent of student membership by race 2011 vs 2019



**From:** LaToya Montague <[lmontague@ciswake.org](mailto:lmontague@ciswake.org)>  
**Date:** March 22, 2019 at 5:15:51 PM EDT  
**To:** Michelle Duncan <[michelled@exploris.org](mailto:michelled@exploris.org)>, Roberta Hadley <[rhadley@ciswake.org](mailto:rhadley@ciswake.org)>, DeWand Hooper <[dhooper@ciswake.org](mailto:dhooper@ciswake.org)>  
**Subject:** **CIS Wake deliverables**

Happy Friday Michelle,  
Please find attached the MOU that we discussed. Let me know if there are any additional tweaks that need to be made.

Also, per our conversation, there are 287 students between the age of 4-12 in the 5 communities that we serve. I would say roughly 80-85% of the students in those communities are from minority backgrounds and 100% from low socioeconomic backgrounds due to their residence.

Good luck on reaching the finish line! Let us know if there is any other assistance that I can provide.

***LaToya Montague***  
**Executive Director**  
971 Harp Street  
Raleigh, NC 27604  
Phone: (919) 525-2845 Fax: (919) 834-7119

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**JUNE ST. CLAIR ATKINSON**

**3913 SUNSET MAPLE COURT, RALEIGH, NC 27612**

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March 11, 2019

Dear Proposal Reviewers:

I am pleased to recommend that Exploris School receive one of the North Carolina ACCESS Expansion Subgrants. During the past few months, I have facilitated the development of a strategic plan to guide Exploris' work over the next five years. One of its major goals is to increase the diversity of the staff and student body to mirror the socio-economic makeup of Wake County. Its organizational structure and commitment put Exploris in a position to be a model for the state for removing barriers and achieving diversity goals.

The school's strategic plan addresses realistic strategies for community outreach to recruit and support students who may be economically disadvantaged. In working with staff and the Exploris Board of Directors through the planning process, I saw much evidence of a thoughtful and deliberate approach to embrace economically disadvantaged students as a part of the Exploris family. The grant will give needed funding to implement a transportation plan and expand services such as before and after care programs for families, as well as translation services where needed.

Exploris has a long history of involving community partners and resources to engage students in meaningful project-based learning. With that extensive experience, Exploris is in an excellent position to use similar strategies for supporting students who may need extra resources and support to flourish academically, socially, and emotionally. The culture of community partnerships will serve the school well in being a model for other charter school and district public schools to emulate.

Exploris is known for its strong academic, financial, and operational performance over its 20-year history. With such a strong organizational structure and commitment to students, Exploris will use the grant funds wisely and will develop a model for others to follow, thus fulfilling the grant purposes and goals.

Sincerely,



June St. Clair Atkinson, Ed.D.  
North Carolina State Superintendent, 2005-2016  
919.607.1835  
Atkinson609@gmail.com

March 20, 2019

NC ACCESS Review Team, CSAB, and SBE,

I am pleased to recommend The Exploris School as a recipient for one of the North Carolina ACCESS Expansion Subgrants to support educationally disadvantaged students in North Carolina. Exploris has received many accolades over their 20-year history recognizing the school's accomplishments, teacher awards, and student achievements. In 2014, The Exploris School earned the designation of the first model STEM school in the state of North Carolina by the NC State Board of Education and the U.S. Department of Education Green Ribbon Award. On staff the school has 2 Burroughs Wellcome Fund Career Awards for Science and Mathematics Teachers, 2 Presidential Awards for Excellence in Mathematics and Science Teaching, 3 Kenan Fellows, and 5 Educators of Excellence, to name a few. The school's commitment to project-based learning and getting students outside the classroom to solve global problems can be seen in their numerous expedition projects that support our community.

The Exploris School stands out among public schools in North Carolina as an exemplar for social justice, environmental justice, and empowering learners to change the world. The School staff, Board of Directors, parents, and students are an incredible force striving to improve the world through global education. Exploris is also highly committed to educating the whole child; academically, socially, and emotionally, to ensure students are prepared with life skills for future success. The school continues to seek out and explore opportunities to ensure equity and access for all students in North Carolina.

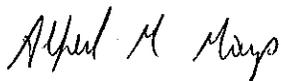
The School Board and community worked collaboratively to receive approval from the State Board of Education to offer a priority lottery for economically disadvantaged students. Exploris has a long history of involving community partners to engage students in the learning process. Exploris has served as a model for other schools and has hundreds of local, state, and international visitors observe the school annually.

One of The Exploris School's goals is to become a model for other charter schools and traditional public schools. They demonstrate how innovative instructional strategies implemented through a relationship-based education can foster academic, social, and emotional success for all students. Relationship-based education is even more critical for educationally disadvantaged students that may not have other strong support systems. The Exploris School is also striving to develop a collaborative Center of Innovation partnering with other educators. They plan to lead and facilitate professional development for educators throughout North Carolina to further expand their impact and support for educationally disadvantaged students by providing needed supports and networking for teachers outside of Exploris.

With such a history of academic success, financial stability, strategic partnerships, and commitment to students, Exploris will use the grant funds wisely and will develop a model for others to follow.

Given the impact the Exploris School will have on the population identified within the State Board of Education approved strategy, I respectfully submit this letter of support.

Respectfully,



Alfred M. Mays  
Program Officer, Burroughs Wellcome Fund

**Exploris Strategic Plan 2019- 2024****Draft 5****3/10/19****MISSION:**

Exploris is a diverse learning community that engages students in a challenging, relevant relationship-based education. We do this through experiential, project-based learning that empowers students to foster a just and sustainable world.

**VISION:**

Empowering learners to make the world better.

**CORE VALUES**

Exploris is a school founded on the principles of Global Education. According to David Selby and Graham Pike, international leaders in this approach, Global education is based upon “the interconnectedness of communities, lands, and peoples, the interrelatedness of all social, cultural and natural phenomena, links between past, present and future, and the complementary nature of the cognitive, affective, physical and spiritual dimensions of the human being. It addresses issues of development, equity, peace, social and environmental justice, and environmental sustainability. It encompasses the personal, the local, the national and the planetary. Along with these principles, its approach to teaching and learning is experiential, interactive, children-centred, democratic, convivial, participatory, and change-oriented.”

Exploris’s articulation of its core values ground the school in this global approach.

**INNOVATION** - In a constantly changing world, the ability to approach challenges in a new way is vital. Exploris teachers and students design projects that encourage divergent thinking, creativity, ideation, and risk-taking.

**SOCIAL EMPOWERMENT** - Students learn best when they are exposed to meaningful, complex issues that are applicable to their own lives. Teachers engage students in current, relevant issues by solving authentic problems that are being addressed beyond the four walls of the school building. Students realize that they have the power to change how their world works. They know how to navigate public systems, lobby public officials, and present their research and opinions as responsible citizens. Student work is tangibly connected not only to the local community, but to other regions of the world and to past and future events.

**RELATIONSHIPS** - A nurturing school environment is one where students are encouraged to build and maintain positive relationships and collaborate with their teachers, parents, peers, and community.

With a keen understanding of the unique developmental of the age group which they teach, teachers are intentional about the structures and relationship-building activities that they design. Positive relationships and collaboration results in a tapestry of learners who know they can depend on each other and work together in almost any situation. The end-product is deeper, and Exploris students experience a collective sense of accomplishment and ownership.

**REFLECTION** - In an ever changing world of new ideas, the importance of reflecting on one's own thinking and the thinking of others cannot be underestimated. Exploris values the creation of time to slow down, to reflect, and to build connections.

**CRAFTSMANSHIP** - Producing an exemplary product is challenging. It takes attention to detail, grit, perseverance, revision, and tenacity. It takes a growth mindset and a dedication to competing with one's own personal best.

**CURIOSITY** - True knowledge does not occur without curiosity. Students are empowered to ask questions about the world around them and to explore possible answers.

**RESPONSIBILITY** - Students will take ownership of their learning and accountability for their actions and behavior. Students will recognize the importance of character, integrity, and honesty.

**CONNECTIONS TO NATURE** - When students witness the power and elements of the natural world through adventure and stewardship, they begin to view themselves as just one species within a larger system.

## **STRATEGIC GOAL 1: FAMILY AND COMMUNITY ENGAGEMENT**

*Increase partnerships with community organizations and parents to support students' academic, social, and emotional needs.*

**Objective 1.1:** Explore grant/research opportunities to support school vision.

**Objective 1.2:** Partner with local universities to increase education offerings.

**Objective 1.3:** Partner with community organizations to provide resources for family engagement and wraparound support for their families.

**Objective 1.4:** Support the development of an innovation center to assist in the transformation of education.

## **STRATEGIC GOAL 2: FACILITIES**

*Transition successfully to a new K-8 facility that aligns with our core values and expansion needs.*

**Objective 2.1:** Begin construction in spring 2019.

**Objective 2.2:** Complete and occupy new building by fall 2021.

**Objective 2.3:** Develop alternate plan if construction does not begin by September 2019.

**Objective 2.4:** Develop interior design that meets needs of students and staff learning.

**Objective 2.5:** Ensure technology and infrastructure support instructional strategies.

### **STRATEGIC GOAL 3: FACULTY AND STAFF**

*Attract and retain innovative and collaborative educators who are involved in shared decision making about issues having an impact on the success of Exploris.*

**Objective 3.1:** Pay salaries competitive with Wake County Schools pay scale.

**Objective 3.2:** Provide teachers with opportunities for professional development to remain innovative in education.

**Objective 3.3:** Implement a 360-evaluation process for faculty and staff.

### **STRATEGIC GOAL 4: STUDENT SUCCESS**

*Strengthen K-8 curriculum and instruction to embrace diversity and differentiation for achieving academic, social, emotional, and cultural growth.*

**Objective 4.1:** Increase academic support across all subgroups.

**Objective 4.2:** Create a curriculum matrix that guides K-8 instruction.

**Objective 4.3:** Align essential K-8 social and emotional competencies for successful development.

**Objective 4.4:** Build capacity to provide students with differentiated instruction.

**Objective 4.5:** Decrease disruptive student behaviors.

**Objective 4.6:** Strengthen project-based experiences to be more relevant, community driven, and hands-on.

### **STRATEGIC GOAL 5: DIVERSITY**

*Increase the racial and socio-economic diversity of Exploris educators and students to reflect that of Wake County.*

**Objective 5.1:** Develop recruitment plan to increase the racial and socio-economic diversity of students and staff.

**Objective 5.2:** Secure funding to support needs of diverse school community.

**Objective 5.3:** Increase support staff and resources to meet diverse population needs.

**Objective 5.4:** Develop strategies for helping students and families to feel welcomed, valued and supported.

**Objective 5.5:** Increase outreach programs and community partnerships to include online, phone, and translation media.

**STRATEGIC GOAL 6: FINANCE**

*Acquire adequate financial resources to ensure long-term financial sustainability of Exploris.*

**Objective 6.1:** Develop sustainable budget to support strategic goals.

**Objective 6.2:** Have no substantive audit exceptions.

**Objective 6.3:** Create development fund for student supports and facilities.

# The Exploris™ School

*Empowering Learners to Change the World*



## MISSION

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Exploris is a diverse learning community that engages students in a challenging, relevant, relationship-based education. We do this through experiential, project-based learning that empowers students to foster a just and sustainable world.

## VISION

---

Empowering learners to make the world better.

## CORE VALUES

---

Exploris is a school founded on the principles of Global Education. According to David Selby and Graham Pike, international leaders in this approach, Global education is based upon “the interconnectedness of communities, lands, and peoples, the interrelatedness of all social, cultural and natural phenomena, links between past, present and future, and the complementary nature of the cognitive, affective, physical and spiritual dimensions of the human being. It addresses issues of development, equity, peace, social and environmental justice, and environmental sustainability. It encompasses the personal, the local, the national and the planetary. Along with these principles, its approach to teaching and learning is experiential, interactive, children-centred, democratic, convivial, participatory, and change-oriented.” Exploris’s articulation of its core values ground the school in this global approach.

# Core Values

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## INNOVATION

In a constantly changing world, the ability to approach challenges in a new way is vital. Exploris teachers and students design projects that encourage divergent thinking, creativity, ideation, and risk-taking.

## SOCIAL EMPOWERMENT

Students learn best when they are exposed to meaningful, complex issues that are applicable to their own lives. Teachers engage students in current, relevant issues by solving authentic problems that are being addressed beyond the four walls of the school building. Students realize that they have the power to change how their world works. They know how to navigate public systems, lobby public officials, and present their research and opinions as responsible citizens. Student work is tangibly connected not only to the local community, but to other regions of the world and to past and future events.

## CRAFTSMANSHIP

Producing an exemplary product is challenging. It takes attention to detail, grit, perseverance, revision, and tenacity. It takes a growth mindset and a dedication to competing with one's own personal best.

## CONNECTIONS TO NATURE

When students witness the power and elements of the natural world through adventure and stewardship, they begin to view themselves as just one species within a larger system.

## RELATIONSHIPS

A nurturing school environment is one where students are encouraged to build and maintain positive relationships and collaborate with their teachers, parents, peers, and community. With a keen understanding of the unique developmental of the age group which they teach, teachers are intentional about the structures and relationship-building activities that they design. Positive relationships and collaboration results in a tapestry of learners who know they can depend on each other and work together in almost any situation. The end-product is deeper, and Exploris students experience a collective sense of accomplishment and ownership.

## REFLECTION

In an ever changing world of new ideas, the importance of reflecting on one's own thinking and the thinking of others cannot be underestimated. Exploris values the creation of time to slow down, to reflect, and to build connections.

## RESPONSIBILITY

Students will take ownership of their learning and accountability for their actions and behavior. Students will recognize the importance of character, integrity, and honesty.

## CURIOSITY

True knowledge does not occur without curiosity. Students are empowered to ask questions about the world around them and to explore possible answers.

# Strategic Goals

---

## STRATEGIC GOAL 1: FAMILY AND COMMUNITY ENGAGEMENT

Increase partnerships with community organizations and parents to support students' academic, social, and emotional needs.

Objective 1.1: Explore grant/research opportunities to support school vision.

Objective 1.2: Partner with local universities to increase education offerings.

Objective 1.3: Partner with community organizations to provide resources for family engagement and wraparound support for their families.

Objective 1.4: Support the development of an innovation center to assist in the transformation of education.

## STRATEGIC GOAL 2: FACILITIES

Transition successfully to a new K-8 facility that aligns with our core values and expansion needs.

Objective 2.1: Begin construction in spring 2019.

Objective 2.2: Complete and occupy new building by fall 2021.

Objective 2.3: Develop alternate plan if construction does not begin by September 2019.

Objective 2.4: Develop interior design that meets needs of students and staff learning.

Objective 2.5: Ensure technology and infrastructure support instructional strategies.

## STRATEGIC GOAL 3: FACULTY AND STAFF

Attract and retain innovative and collaborative educators who are involved in shared decision making about issues having an impact on the success of Exploris.

Objective 3.1: Pay salaries competitive with Wake County Schools pay scale.

Objective 3.2: Provide teachers with opportunities for professional development to remain innovative in education.

Objective 3.3: Implement a 360-evaluation process for faculty and staff.

## STRATEGIC GOAL 4: STUDENT SUCCESS

Strengthen K-8 curriculum and instruction to embrace diversity and differentiation for achieving academic, social, emotional, and cultural growth.

Objective 4.1: Increase academic support across all subgroups.

Objective 4.2: Create a curriculum matrix that guides K-8 instruction.

Objective 4.3: Align essential K-8 social and emotional competencies for successful development.

Objective 4.4: Build capacity to provide students with differentiated instruction.

Objective 4.5: Decrease disruptive student behaviors.

Objective 4.6: Strengthen project-based experiences to be more relevant, community driven, and hands-on.

## STRATEGIC GOAL 5: DIVERSITY

Increase the racial and socio-economic diversity of Exploris educators and students to reflect that of Wake County.

Objective 5.1: Develop recruitment plan to increase the racial and socio-economic diversity of students and staff.

Objective 5.2: Secure funding to support needs of diverse school community. Objective 5.3: Increase support staff and resources to meet diverse population needs.

Objective 5.4: Develop strategies for helping students and families to feel welcomed, valued and supported.

Objective 5.5: Increase outreach programs and community partnerships to include online, phone, and translation media.

## STRATEGIC GOAL 6: FINANCE

Acquire adequate financial resources to ensure long-term financial sustainability of Exploris.

Objective 6.1: Develop sustainable budget to support strategic goals.

Objective 6.2: Have no substantive audit exceptions.

# Strategic Plan

**IN THE SPRING OF 2013, EXPLORIS BOARD MEMBERS, TEACHERS, PARENTS, AND THE SCHOOL'S DIRECTOR ENGAGED IN A MULTI-MONTH PROCESS TO REFINE THE SCHOOL'S MISSION, VISION, AND VALUES AND TO IDENTIFY STRENGTHS AND CRITICAL CHALLENGES. THE RESULT WAS A 5-YEAR STRATEGIC PLAN FOR THE SCHOOL WITH MULTIPLE GOALS AND SPECIFIC STEPS**

## **EXPLORIS STRATEGIC PLAN 2013-2018**

### MISSION

Exploris is a learning community that engages students in a rigorous, relevant, relationship-based education. This is done through experiential, project-based learning that empowers students to build a connected, just and sustainable world.

### VISION

Exploris will be a catalyst for solving present and future problems across the street and around the world.

### CORE VALUES

Exploris is a school founded on the principles of Global Education. According to David Selby and Graham Pike, international leaders in this approach, Global education is based upon "the interconnectedness of communities, lands, and peoples, the interrelatedness of all social, cultural and natural phenomena, links between past, present and future, and the complementary nature of the cognitive, affective, physical and spiritual dimensions of the human being. It addresses issues of development, equity, peace, social and environmental justice, and environmental sustainability. It encompasses the personal, the local, the national and the planetary. Along with these principles, its approach to teaching and learning is experiential, interactive, children-centred, democratic, convivial, participatory, and change-oriented."

Exploris's articulation of its core values ground the school in this global approach.

Those values are:

- **CURIOSITY**  
True knowledge does not occur without curiosity. Students are empowered to ask questions about the world around them and to explore possible answers.
- **REFLECTION**  
In an ever-changing world of new ideas, the importance of reflecting on one's own thinking and the thinking of others cannot be underestimated. Exploris values the creation of time to slow down, to reflect, and to build connections.

- **CRAFTSMANSHIP**  
Producing an exemplary product is challenging. It takes attention to detail, grit, perseverance, revision, and tenacity. It takes a growth mindset and a dedication to competing with one's own personal best.
- **ENGAGEMENT**  
People learn best when they are exposed to meaningful, complex issues that are applicable to their own lives. Teachers engage students in current, relevant issues by solving authentic problems that are being addressed beyond the four walls of the school building. Student work is tangibly connected not only to the local community, but also to other regions of the world and to past and future events.
- **COLLABORATION**  
Learning is a democratic process that is enhanced through the sharing of different perspectives and life experiences. Collaboration results in a tapestry of learners who know they can depend on each other and work together in almost any situation. With collaboration, the end product is deeper, and Exploris students experience a collective sense of accomplishment and ownership.
- **RELATIONSHIPS**  
A nurturing school environment is one where students are encouraged to build and maintain positive relationships with their teachers, parents, peers, and community. With a keen understanding of the unique development of the age group that they teach, teachers are intentional about the structures and relationship-building activities that they design.
- **CONNECTIONS TO NATURE**  
When students witness the power and elements of the natural world through adventure and stewardship, they begin to view themselves as just one species within a larger system.
- **SOCIAL EMPOWERMENT**  
Students realize that they have the power to change how their world works. They know how to navigate public systems, lobby public officials, and present their research and opinions as responsible citizens.
- **INNOVATION**  
In a constantly changing world, the ability to approach challenges in a new way is vital. Exploris teachers and students design projects that encourage divergent thinking, creativity, ideation, and risk-taking.
- **BALANCE**  
To be fully human, students must be healthy in mind, in body, and in spirit. Emphasis on students' physical and emotional health prepare them for the mental challenges necessary in achieving total success in school.

## 5-YEAR STRATEGIC VISION

Exploris Middle School will be transformed into a leading K-8 charter school in the Triangle Area with facilities located on a spacious, modern campus in downtown Raleigh, serving a population of approximately 500-600 students. Exploris students will benefit from a global education methodology aligned to national curriculum standards and instructional best practices. The Exploris instructional approach will be supported by an extensive information technology platform, allowing Exploris students to broaden their connectivity to the world.

## GOALS TO ADDRESS CRITICAL ISSUES

Based on a SWOT exercise, the Strategic Planning Committee identified six critical issues that must be addressed in order to achieve the 5-year vision. What follows are the strategic goals that overcome each of the six issues:

### STRATEGIC GOAL 1: ENROLLMENT

Exploris will increase student access by expanding enrollment to a K-8 population of approximately 500-600 students.

- Strategy 1.1: Develop a sustainable Enrollment Plan for Exploris as a K-8
- Strategy 1.2: Commit to a demographic that reflects the local community
- Strategy 1.3: Gain Office of Charter School approval for a K-8
- Strategy 1.4: Recruit and assign committees to develop and carry out action steps for Strategic Plan Goals 2-6

### STRATEGIC GOAL 2: FINANCE

Exploris will develop adequate financial resources to ensure its long-term financial sustainability.

- Strategy 2.1: Develop a sustainable budget for daily operating costs as a K-8
- Strategy 2.2: Develop a fund development plan, based on requirements from the facilities and infrastructure deliverables for transition to K-8

### STRATEGIC GOAL 3: FACILITIES AND INFRASTRUCTURE

Exploris will acquire a facility that supports its educational program and is financially sustainable, while enabling the long-range strategic vision.

- Strategy 3.1: Articulate a set of facility and technology requirements to accommodate enrollment expansion, curriculum needs, and core values
- Strategy 3.2: Identify and acquire new space based on cost-benefit analysis
- Strategy 3.3: Develop a facility and technology migration plan

## STRATEGIC GOAL 4: STUDENT ACHIEVEMENT

Exploris will provide students with demonstrable skills and knowledge designed to equip them for solving problems across the street and around the world.

- Strategy 4.1: Create a curriculum map, with scope and sequence, for grades K-8
- Strategy 4.2: Articulate essential skills and social competencies that embody success at Exploris
- Strategy 4.3: Implement an assessment model for measuring outcomes related to the Exploris mission
- Strategy 4.4: Strengthen programming to maximize resources while ensuring a free and appropriate education for ALL students

## STRATEGIC GOAL 5: SCHOOL LEADERSHIP and HUMAN

### RESOURCE DEVELOPMENT

Exploris will attract, develop and retain cutting edge school leadership, instruction and ancillary supports to meet the needs of an expanding student population.

- Strategy 5.1: Develop a human resource needs assessment to identify current position requirements and identify staffing gaps for future hiring decisions
- Strategy 5.2: Create a recruitment plan for filling new vacancies, including recruitment incentives, online application databases, and early employment contracts in order to attract the best and brightest while retaining a cutting edge staff
- Strategy 5.3: Initiate a professional development plan, focused on continuous learning and improvement for returning staff and an orientation and training program for new personnel
- Strategy 5.4: Develop a mentorship program for grooming new internal leaders

## STRATEGIC GOAL 6: BRANDING, MARKETING and ADVOCACY

Exploris will establish itself as an educational leader in NC – widely recognized for its educational excellence, student success, leadership, and public advocacy

- Strategy 6.1: Develop the Exploris brand as a center for educational innovation and achievement
- Strategy 6.2: Develop a marketing and communication plan to address both internal as well as external communications
- Strategy 6.3: Extend Exploris's network of public and private partnerships regionally, nationally, and internationally

# EXPLORIS EQUITY

Growing access to Exploris

## EQUALITY vs EQUITY



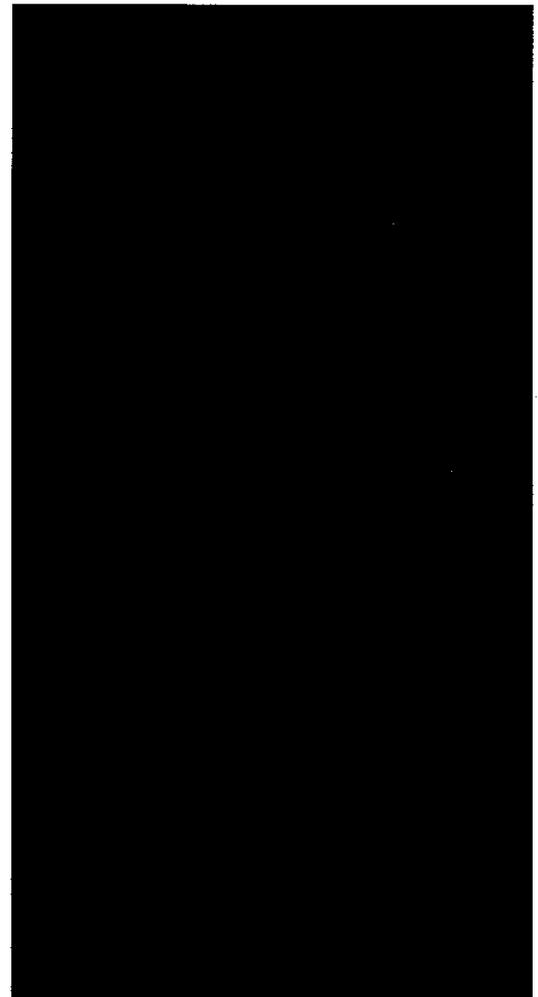
## What is equity? Why do we need it?

Charter schools like Exploris provide amazing learning opportunities for all students. At the same time, charter schools face the hurdle of access barriers. While everyone in the community can apply to our school, lack of information, busing, and restriction on meals provided at school make it difficult for economic diversity to thrive. The Equity and Diversity Committee, a group of parents, teachers, board members, and administrators are working to address these access barriers.

The great news is that diverse schools are good for everyone. Students from more integrated schools have higher test scores, are more likely to go to college, and are less likely to drop out.

More integrated schools also live into our Exploris mission as "a catalyst for solving present and future problems across the street and around the world." More integrated schools reduce racial bias and stereotypes, improve self-confidence, and enhance leadership skills. Ask any of our committee members for access to the studies that led to these outcomes.

In 2015, the Exploris Board adopted a goal of working to have the school reflect the racial and economic diversity of Wake County within five years. We're excited about the possibilities for our children thriving in new ways through increased attention to and nurturing of equity at Exploris!



# The Priority Admissions Lottery

The strategic plan for Exploris includes the implementation of a priority lottery for students who qualify as economically disadvantaged. The lottery proposal was reviewed by the Charter School Advisory Board and approved by State Board of Education in October 2018. The new lottery policy will be implemented with the spring 2019 lottery for fall 2019 admissions. Here are some things to know:

**What is a priority lottery?** A way to give more access to those who meet the federal qualification for Free and Reduced Lunch (FRL). Applicants who apply to the lottery and qualify for FRL will receive an extra "weight," and will have a better chance of getting into Exploris.

**Will siblings still have priority?** Children of teachers and staff have 1st priority, siblings 2nd priority, board member children 3rd priority, and economically disadvantaged students 4th priority.

**How many economically disadvantaged children will be admitted?** Each year Exploris will make enrollment decisions based on the number of seats available and current school resources. A certain numbers of seats will be set aside for economically disadvantaged students until we reach a 25% target, the percentage that provides the best equity outcomes for the entire school.

**What else do you have planned?** We look forward to continuing to work with our school on creating a robust cross-cultural environment. Our goals include increasing equity training for our teachers and administrators, creating an opportunity for children with FRL qualification to receive a hot lunch, and to strengthen minority teacher recruitment.

**Common misperceptions:** Not all FRL-qualifying children are children of color. Most schools show that children who receive FRL require no more EC supports than students who do not qualify. Regardless, an intentionally designed lottery based on FRL has shown to consistently increase economic and racial diversity at charter schools.

# Committee Members

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## Diversity in Education and Exploris

## Charter Schools

The 1996 state law that allowed charter schools required that, within one year of the schools opening, their populations would reflect the racial and ethnic composition of the school district.

The law defined one of the purposes of charters: increasing the opportunities to learn for all students, with a special emphasis on students who are at risk of academic failure or those who are academically gifted.

*Source: <http://www.illustrativemathematics.org/HS/index.html>*

## Exploris Mission - Our Vision

Exploris is a learning community that engages students in a rigorous, relevant, relationship-based education. This is done through experiential, project-based learning that empowers students to build a connected, just and sustainable world.

### Vision

Exploris will be a catalyst for solving present and future problems across the street and around the world.

## Exploris Mission - Our Core Values

Exploris is a school founded on the principles of global education.

According to David Selby and Graham Pike, international leaders in this approach, global education is based upon "the interconnectedness of communities, lands, and peoples; the interrelatedness of all social, cultural and natural phenomena; links between past, present, and future; and the complementary nature of the cognitive, affective, physical and spiritual dimensions of the human being."

## ...continued

It addresses issues of development, equity, peace, social and environmental justice, and environmental sustainability.

It encompasses the personal, the local, the national, and the planetary.

Along with these principles, its approach to teaching and learning is experiential, interactive, children-centered, democratic, convivial, participatory, and change-oriented."

We believe that in order to do this, we must be able to reach our community. This starts with us, the school population.

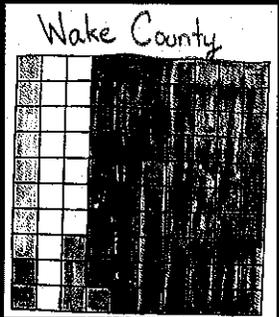
In order to attract our community, we must reflect our community.

*"The more diverse we are, the more we learn about other people's culture when they talk to us!"*

## Racial Demographics

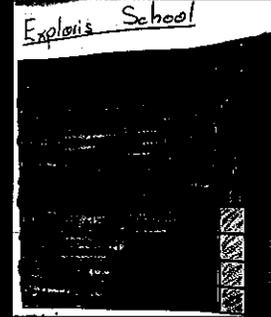
### Wake County

Race	%
White	48%
Asian	8%
Hispanic	17%
Native Hawaiian/ Pacific Islander	1%
Two or More	4%
American Indian/ Alaskan Native	1%
Black or African American	23%



### Exploris School

Race	%
White	80.5%
Asian	3%
Hispanic	4%
Native Hawaiian/ Pacific Islander	0%
Two or More	5%
American Indian/ Alaskan Native	.5%
Black or African American	7%



*"The thing that stood out to me the most was that the Exploris School was less diverse [than Wake County]."*

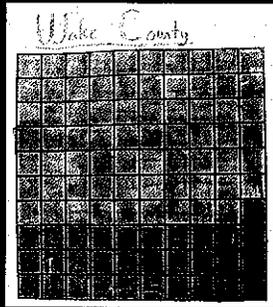
*"The thing that stood out to me was that we have so little amounts of different races but that we have one big one [white]."*

## Socio-Economic Demographics

*"It [more diversity] will make being in school more comfortable."*

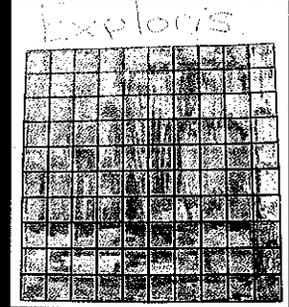
### Wake County

Free/Reduced Lunch	31%
Non-Free/Reduced Lunch	69%



### Exploris

Free/Reduced Lunch	7%
Non-Free/Reduced Lunch	93%

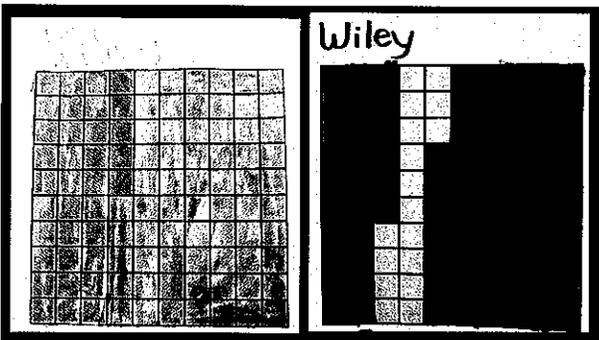
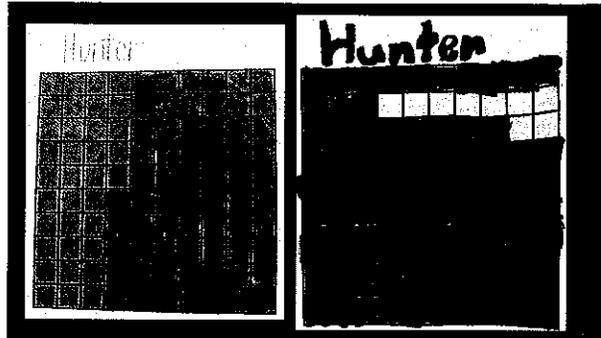
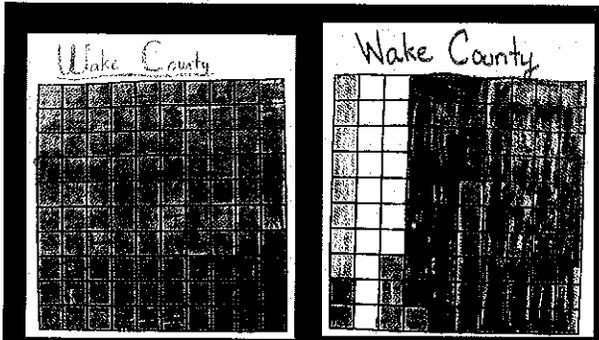


*"I feel sad and embarrassed, because I feel like we don't have enough diversity."*

## How Exploris Compares to Neighboring Schools

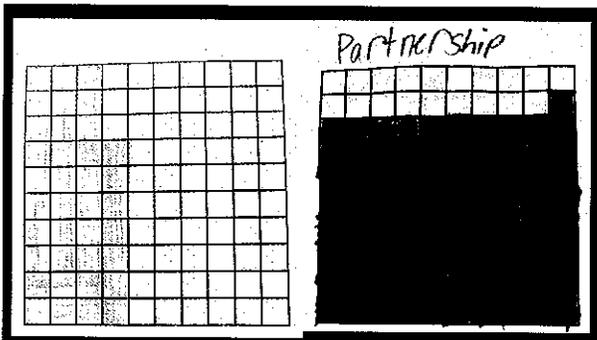
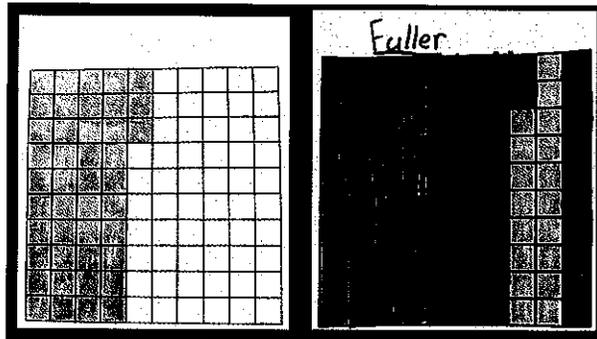
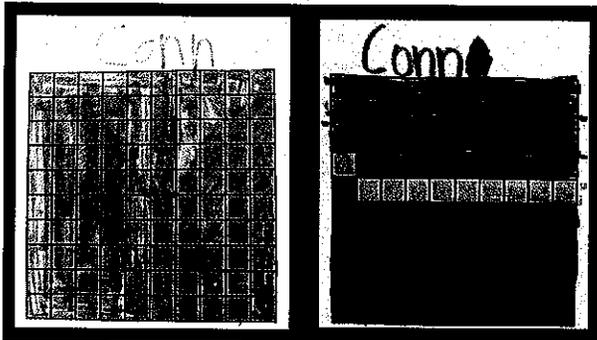
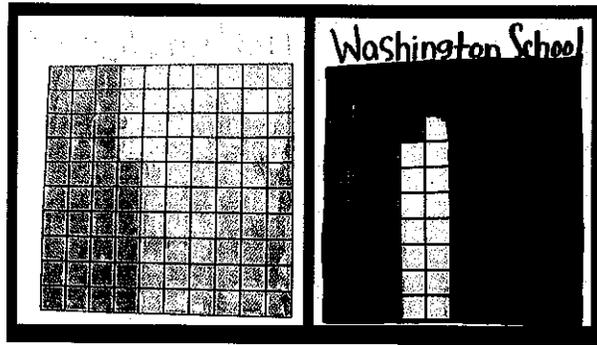
*"It [diversity] can give you different perspectives on learning. You also get to meet different [types] of people."*

Most Reflective of Wake County:  
Student Choice



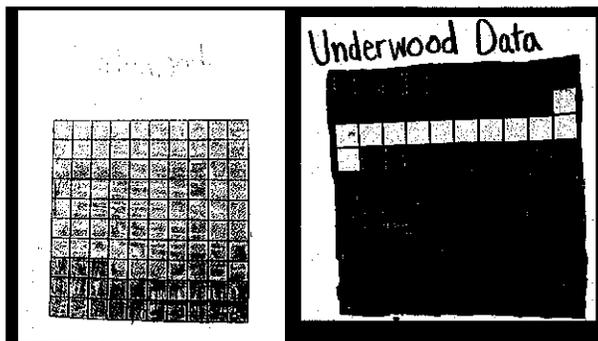
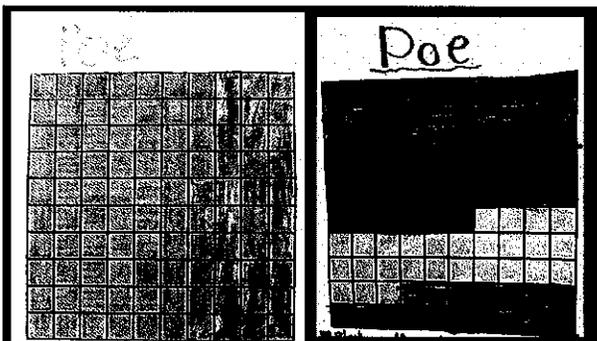
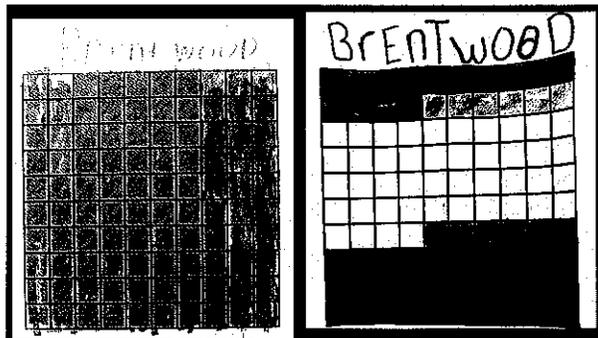
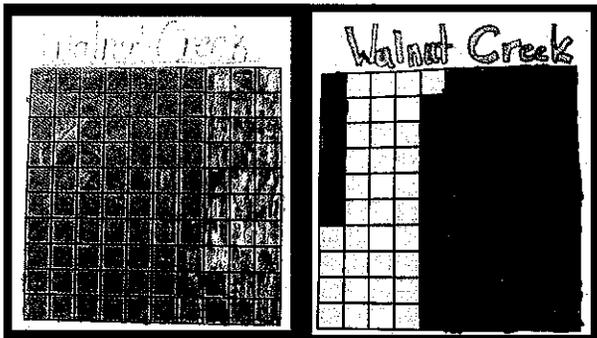
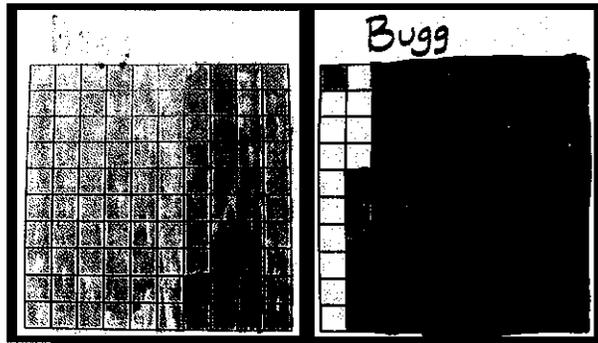
Most Balanced Diversity:  
Student Choice

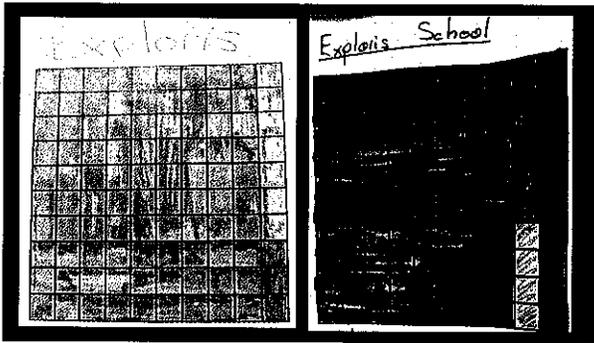
*"I think that if there wasn't that much diversity than some people might be shy, but if we have a lot of diversity people might not be as shy."*



Least Diverse and Least Reflective of Wake County

*"Diversity can contribute to learning because not everyone has certain memories in a certain race; you are missing out."*





*"I feel shocked about the data because I felt that we would have more percentages of different races because when you look at someone you don't automatically think what their race is."*

*"I feel a little embarrassed and a little sad, because people are from all different areas but there is still barely any other race other than white. Other schools have way more diversity."*

### In Conclusion

We love our school and feel that the experiences students have at Exploris need to reach all people in our community.

We ask the board to reflect on the data we have shared and the thoughts and feelings expressed by your students.

*"Diversity can help the school be more open to different ideas."*

### Final Thoughts

- How can we, the Exploris School, cultivate an inclusive school community?
- How can we, the Exploris School, reflect the racial and ethnic composition of our community, as the charter law of 1996 states?
- How can we, the Exploris School, solve present and future problems across the street and around the world, as the our mission states, when we do not reflect the community 'across the street'?

# Parent University: Equity & Diversity Conversation

Do you have questions about the recently approved weighted lottery? Are you wondering how Exploris will continue to strengthen diversity and improve access?

## Join the Exploris Conversation

Thursday, December 6, 2018, 6:00-7:30pm  
Elementary Campus @ 17 S. Swain Street

While news about the approval of our weighted lottery is recent, our community has been working on this policy change and related supports for over three years. Please join us in order to:

- Learn more about the work being done to strengthen diversity, equity, and inclusion at Exploris
- Ask questions and share your perspective



**Topic:**  
Equity &  
Diversity  
Matters

**Date:**  
December 6

**Time:**  
6:00-7:30pm

**Location:**  
Exploris  
Elementary  
Campus  
17 S. Swain  
St.



# The Exploris™ School

*Empowering Learners to Change the World*

Downtown Raleigh's Innovative, Public, K-8 Charter School

Each  
Child

deserves an education that serves the

Did you know that we are an option for your child?  
Come learn more!

EXPLORIS MEET AND GREET  
CIS Wake Learning Center  
Chavis Heights, 781 Bright Creek Way  
December 12  
5:30-7:00pm



Whole  
Child

**Exploris Mission:** Exploris is a learning community that engages students in a rigorous, relevant, relationship-based education. This is done through experiential, project-based learning that empowers students to build a connected, just, and sustainable world.

[www.exploris.org](http://www.exploris.org)    [info@exploris.org](mailto:info@exploris.org)    919-715-3690

401 Hillsborough Street, Raleigh, NC 27603

# Exploris Parent Survey on Equity and Diversity

In 2015, the the Exploris Board of Directors adopted the goal that by 2021 the school would reflect the socioeconomic and racial demographics of Wake County. This year, the board formed a Diversity and Equity Committee to recommend steps to help the school achieve this goal. To inform this process, the committee would value your input as key stakeholders in the Exploris community. To that end, we would greatly appreciate your responses to the following questions. As the committee gains perspective from this survey, we will consider additional opportunities to gather feedback and share information. This survey is anonymous unless you choose to identify yourself.

**1. I believe that a school culture that supports equity and diversity benefits all students.**

*Mark only one oval.*

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

**2. I believe that Exploris has a strong culture of equity and diversity.**

*Mark only one oval.*

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

**3. In what ways do you see that Exploris currently supports equity and diversity?**

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**4. What could Exploris do to better support equity and diversity?**

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**5. What questions do you have about work the Exploris Board and school leadership is doing to promote equity and diversity?**

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**6. Are you interested in contributing to this work? If so, please provide your name and a brief comment about your interest.**

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**7. Additional Comments/Questions:**

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Dear Ms. Ellie and The Exploris School Board,

The driving question for our current expedition is, "How can we, the  $\frac{1}{2}$  students, cultivate a more inclusive school community?" Our group is working on encouraging and supporting the various religious beliefs of the students at Exploris, and future students too.

We would like for Exploris to include four major religious holidays in our school calendar each year. These holidays are some of the most important holidays for our Christian, Jewish, and Muslim families and students. We believe that honoring the holidays of several of our school's most common religious faiths will help our fellow students feel like their religions and identity are important. Also, we believe that valuing other religions will help increase the diversity in our school as more students with those religions will want to apply each year.

Here are the dates we wish to have off for the 2018- 2019 school year and each school year afterwards.

The requested holidays are...

- Christianity: Christmas Day - December 25, 2018
- Christianity: Good Friday - April 19, 2019 (\*Date changes each year)
- Judaism: Yom Kippur - September 19, 2018 (\*Date changes each year)
- Islam: Please choose one of the following holidays each year - whichever one fits best into our school calendar:
  - Eid ul Adha - August 21, 2018 (\*Date changes each year)
  - Eid ul Fitr - June 4, 2019 (\*Date changes each year)

Please note that the Wake County Public School System already gives the day off for Yom Kippur. We believe that this simple gesture will make our school as inclusive as the WCPSS. In fact, we believe that our school should be more inclusive than the WCPSS.

Please include the holidays above in our school calendar so fewer students feel left out and have to choose between school or celebrating an important day with their family.

Thank you Ms. Ellie & the School Board.

Sincerely,

The  $\frac{1}{2}$  Students

Additional holidays that we would like to honor by asking teachers to avoid major assessments or overnight field experiences include:

- Islam: Eid ul Adha - August 21, 2018 (\*Date changes each year)
- Hinduism: Diwali - November 7, 2018 (\*Date changes each year)
- Bahá'í: Ayyám-i-Há - February 26, 2019 (\*Date changes each year)
- Hinduism: Holi - March 2, 2019 (\*Date changes each year)
- Bahá'í: Naw-Ruz - March 21, 2019
- Judaism and Jehovah's Witnesses: Passover - March 30, 2019 (\*Date changes each year)  
Note: Sometimes it is possible to align this date with our Spring Break.
- Buddhism: Vesak / Buddha's Birthday - May 19, 2019 (\*This date in 2019 is a Sunday, but the date changes each year.)
- Islam: Eid ul Fitr - June 4, 2019 (\*Date changes each year)

# 2019-2020 CALENDAR

**Key**

-  = Holiday/Vacation
-  = Teacher Workdays
-  = First Day of School
-  = Early Release @ 12:15

Total S – 174  
Total T – 192  
Built in Snow Days – 10  
Teacher Workdays – 18

**JANUARY 2020**

S	M	T	W	Th	F	S
					3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

1-2 Winter Break  
3 Teacher Workday  
20 M.L. King Day

S – 19  
T – 20

12-13 New Staff Orientation  
14-20 Teacher Work Days  
19 Open House  
21 1<sup>st</sup> Day for Students

S – 8  
T – 13

**AUGUST 2019**

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

**FEBRUARY 2020**

S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

7 Teacher Workday:  
Parent/Student Conferences  
17-18 Presidents' Day

S 17  
T 18

2 Labor Day  
30 Teacher Workday: Whole Staff PD

S 19  
T 20

**SEPTEMBER 2019**

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

**MARCH 2020**

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

6 End of T2  
9 Teacher Workday:  
Achievement Report Writing  
10 Teacher Workday

S 20  
T 22

7-11 Fall Break  
25 Teacher Workday:  
Parent/Student Conferences

S – 17  
T – 18

**OCTOBER 2019**

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

**APRIL 2020**

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

6-10 Spring Break  
13 Teacher Workday

S 16  
T 17

11 Veterans Day  
22 End of T1  
25 Teacher Workday  
26 Teacher Workday:  
Achievement Report Writing  
27-29 Thanksgiving Break

S 15  
T 17

**NOVEMBER 2019**

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

**MAY 2020**

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

15 Teacher Workday:  
Parent/Student Conferences  
25 Memorial Day

S – 19  
T – 20

20 Early Dismissal 12:15  
23-31 Winter Break

S 14.5  
T 14.5

**DECEMBER 2019**

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

**JUNE 2020**

S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

12 Early Dismissal 12:15  
15 Teacher Workday:  
Achievement Report Writing  
16-17 Teacher Work Days

S – 9.5  
T – 12.5

**Exploris School Recruitment Plans (2018-2019)  
Equity and Diversity Subcommittee**

**Application Deadline: February 1 at 4pm sharp!**

**Recruitment Resources:**

- Online - the Exploris admissions page has information about school tours and lottery application process.
- Print materials include:
  - Recruitment flyer with FAQs about application
  - School brochure
  - Paper copy of application

**Outreach Opportunities**

Group/Location	Lead	Comments
Multiracial families of the Triangle (100)	Amy F.	
Triangle African Adoptive Families (75)	Amy F.	Posted on the website. One member was hoping to attend Chavis event and worried about the lack of spaces on tours. Potential middle school parent.
Transracial families in NC Triangle (69)	Amy F.	Kari & Damon Williams, Exploris parents, have been engaged with this group for awhile and I can ask them to post.
Habesha@Carolina and Triangle (379)	Amy F.	"Habesha" refers to any person, thing, phrase, food, etc that is Ethiopian or Eritrean
Ethiopian Fellowship Church (144)	Amy F.	
Partners for Environmental Justice - advocacy group in SE Raleigh	Frank M.	Sharing informational flyer digitally with the group -

St. Ambrose Episcopal Church	Kirsten Reberg-Horton	I posted about the lottery on the Facebook Page. I'll see about getting it into the bulletin. Kirsten
<u>Shaw U. - Center for Early Childhood Education, Development and Research</u>	Frank	
<u>Learning Together Preschool</u>	Keely	Learning Together's Mission is to meet the developmental, educational, and health needs of young children of all abilities.
<u>Jack &amp; Jill of Wake County</u>	Cori	Over the years Jack & Jill of Wake County has committed to working with essential educational, cultural, civic, recreational, social and service programs. They champion the cause of extending educational and social opportunities for families within our community.
<u>A Better Chance</u>	Cori	Since 1963, A Better Chance has been opening the door to educational opportunities for thousands of young people of color in this nation. Our mission is to increase substantially the number of well-educated young people of color who are capable of assuming positions of responsibility and leadership in American society. Email current president
<u>Triangle Friends of African-American Art</u>	Cori	The Triangle Friends of African American Arts (Triangle FAAA) strives to expand awareness, understanding and support of African American arts and artists. Triangle FAAA hosts educational and social programming throughout the Triangle including art exhibition tours, dinners, group attendance at performances and special events. <a href="mailto:africanamericanarts@gmail.com">africanamericanarts@gmail.com</a>
<u>100 Black Men Triangle East</u>	Cori	The 100 Black Men of Triangle East, is devoted to improving the quality of life for African-Americans—particularly young males—through programs focusing on health and wellness, economic empowerment, mentoring and education. <a href="mailto:contact@100bmtle.org">contact@100bmtle.org</a>
Mocha Moms	Cori	Mocha Moms is a national 501(c)(3) tax-exempt organization created to be the premier voice and support group for mothers of color. The

		Raleigh, NC chapter was chartered in May 2003 and consists of women dedicated to the positive development of children, family, self, and community. <a href="mailto:mochamomsofraleigh@gmail.com">mochamomsofraleigh@gmail.com</a>
<u>The Justice Theater Project</u>	Cori	Professional shows combined with outreach, advocacy and education. Check out our youth summer theater camps in Raleigh and Durham. <a href="mailto:thejusticetheaterproject@gmail.com">thejusticetheaterproject@gmail.com</a>
<u>Parents For Educational Freedom in NC</u>	Cori	Parents for Educational Freedom in North Carolina (PEFNC) is a statewide organization that supports greater educational options through parental school choice. Simply put, parental school choice means allowing parents to send their children to their school of choice – traditional or nontraditional – regardless of address or income. <a href="mailto:mike@pefnc.org">mike@pefnc.org</a> - President
<u>Black Educators Rock! NC</u>	Cori	Black Educators Rock's (BER) goal is to become a leading non-profit organization devoted to furthering the academic success of our nation's students. Our focus is geared predominantly towards students of African-American descent, but we are here for all ethnicities. BER wants to include teachers, administrators, superintendents as well as corporations and professional entities that are associated with the education sector. We are dedicated to cultivating both the educational experiences and accomplishments of minority students and professionals through the development and use of instructional and motivational methods that increase levels of inspiration, attendance and overall achievement. In the near future you will have the opportunity to become part of a nationwide system of professional members that are strictly focused on the improvement of our people. - posted on Social Media Site
Neighbor to Neighbor Neighbor to Neighbor - Knightdale	Katie Lizzy	
Neighbor to Neighbor Ministries	Lizzy	
<u>Outdoor Afro</u>	Cori	- posted on Social Media Site

Boys & Girls Clubs of the Triangle	Tiffany	
Barwell Rd & Worthdale Community Centers	Tiffany	
St. Paul AME	Leah	-Dropped off brochures to Flo Avery
Oberlin Baptist Church	Leah	Left message offering to drop off info for congregation
First Baptist Church	Leah	Brought brochures and applications to church on 1/11
Martin Street Baptist Church	Leah	Wrote an email explaining who we are and asking for help reaching their congregation, also shared our website
Tupper Memorial Baptist Church	Leah	Wrote an email explaining who we are and asking for help reaching their congregation, also shared our website. Keely did as well.
Rush Metropolitan AME Zion Church	Melissa	Melissa will contact
Family Resource Center of Raleigh	Leah	
Oak City Outreach Center of Raleigh	Leah	
YWCA of Raleigh	Leah	
Trinity United Faith Center Church	Leah	
New Mercy Baptist	Leah	
Treasuring Christ Church	Leah	
Mt. Sinai Holy Church of America	Leah	
Treasuring Christ Church	Leah	
Baptist Headquarters of Raleigh	Leah	

Victory Tabernacle Church	Leah	
Cameron Village Library	Melissa	
Raleigh Tarboro Community Center	Michelle	
JC Community Center	Melissa	
Walnut Creek Wetland Park	Frank	
Transfer Co Food Hall	Michelle	
YMCA of SE Raleigh	Lizzy	
Jordan Center	Lizzy	



Students Working Together  
To Change the World

Visiting Educator's  
East, 1979

X

Scale-ups  
Renaissance

Campuses



International  
Partners



Field Experiences  
Per Year



Student Service  
Hours Each Year

The Value of an Exploris Education

Highlights of School Accolades

- US Department of Education Green Ribbon Award Winner
  - Design for Change National Winner
  - NC Model STEM School of Distinction – 1st school designated in the state
  - Honor School of Excellence Recipient
  - Exceeds state and national norms in both student achievement and annual growth for reading and math
- Teacher Accolades:
- Presidential Award for Excellence in Mathematics and Science Teaching
  - Career Award for Science and Mathematics Teachers
  - Kenan Fellows
  - Nationally Board Certified Educators
  - North Carolina Museum of Natural Science Educators of Excellence

Exploris is another jewel in Raleigh's crown. It has a 20-year record of educational excellence and is committed to staying downtown. We need to help build the new school. Exploris is the very essence of Raleigh's reputation for innovation.

– Smeades York, Former Raleigh mayor and Chairman of the Board, York Properties

Contact Us

www.exploris.org    info@exploris.org    919-715-3690  
 401 Hillsborough Street, Raleigh, NC 27603



The Exploris School  
Empowering Learners to Change the World



## Welcome to The Exploris School!

The Exploris School, established in 1997, is a downtown Raleigh public charter school. Admission is free and open to the public. Students are selected based on a random lottery. The low student-teacher ratio enables Exploris to approach learning by engaging students in a rigorous, relevant, relationship-based education. Instruction is brought to life through standards-based, experiential, project-based learning, global education, and social justice initiatives.

Exploris maintains an atmosphere of academic rigor and personal accountability. Instruction is presented in an age appropriate, interdisciplinary, thematic, and practical manner.

*Exploris Middle School wasn't about sitting in a classroom. The world around us was our school. Through real-world experiences, active exploration, and spirited collaboration, we were encouraged and supported to become independent learners, critical and creative thinkers, and active citizens. Today, I am proud to be a graduate of Exploris and I am grateful for the valuable study that I have already begun that was made at Exploris—and I am grateful for it.*

—Ellie Cosgrove, Class of 2003

## THE EXPLORIS SCHOOL EXPERIENCE

Exploris fosters independent learners, critical and creative thinkers, and active and responsible participants in a global society. The curriculum at Exploris is based on how students learn best—through an interdisciplinary instructional approach in a small class setting.

### Experiential and Collaborative Learning

Integrating National and State educational standards, Exploris teachers involve their students in inquiry-based learning. Project-based expeditions involve students in current, complex, and relevant issues that incorporate language arts, math, social studies, science, the arts, and civic action.

Teamwork is an integral element in all aspects of the Exploris experience. Students collaborate in small groups throughout the day, exploring concepts and discussing issues during their core instruction times, working together to design and complete projects during expeditions.

### Service Learning and Community Involvement

Participation in the broader community is a hallmark of the Exploris philosophy and experience. Exploris integrates learning with local universities, businesses, and civic organizations to actively serve and learn within our local community.



**Social and Emotional Development**

Exploris builds a positive school culture for students as they participate with classmates as part of a crew working together. Students embark on adventures and navigate their intellectual, social, and emotional journey with their crew. The parent and crew teacher also become partners in advocating for the student's success.

Exploris has the instructional support staff to meet the needs of all learners and values the importance of balance and wellness. Students are supported by a school counselor, interventionist, exceptional children teaching staff, teaching partners, and support services. Our wellness program incorporates physical education as well as yoga, dance, and meditation. The Exploris school values and nurtures the whole child academically, socially, and emotionally so that all children can learn in a safe and supportive learning environment that challenges all to achieve their best.

### Field Experiences

The surrounding downtown Raleigh area extends the walls of our classroom. Students at all grade levels participate in frequent field experiences like re-stocking the Neuse River and Turtle Tracking for the North Carolina Wildlife Commission. Daily or overnight field studies extend expeditions at each grade level. Students collaborate with businesses, non-profits, and local science, art, and history museums to explore the real problems and solutions happening in our community. Our final field experience in eighth grade includes a 5-day backpacking tour through the North Carolina Outward Bound School.

### Leadership Skill Development

Students take on various leadership roles in class and in the school. Many of our students serve as school ambassadors hosting many national and international educational leaders that visit Exploris. Our students start clubs, take on social issues, speak in front of School Boards, and County Commissioners. They are empowered learners that believe they can change the world. Organization, time-management, interpersonal skills, and public speaking are integrated in the many collaborative learning experiences at Exploris.

Students maintain portfolios of work samples and hold student-led conferences with their parents and teachers to describe their strengths and areas in need of further growth. As active participants in their learning process, students strive to continuously improve and demonstrate growth and achievement.



### OUR CORE VALUES

-  **Curiosity**
-  **Craftsmanship**
-  **Engagement**
-  **Innovation**
-  **Social Empowerment**
-  **Connections to Nature**
-  **Balance**
-  **Collaboration**
-  **Relationships**

# What Kind of School Are You Looking For?



## The Exploris™ School

*Empowering Learners to Change the World*

*Exploris wasn't about sitting  
in a classroom. The world  
around us was our school.*

Ellie Cosgrove, Class of 2003



**Downtown Raleigh's Innovative, Public, Charter School**

## Come Visit

**Open House for All  
Prospective Families**  
(No Sign-Up Required)

**January 25th,  
6:00 pm - 6:45 pm**

Elementary Campus  
17 S. Swain Street  
Raleigh, NC 27601



**Elementary and Middle  
School Tours**  
(Sign-Up Required)

Elementary School (K-5)

Jan. 16 9:00 am  
Jan. 29 9:00 am

Middle School (6-8)

Jan. 16 1:00 pm  
Jan. 23 1:00 pm

**Sign Up and Learn More: [Exploris.org](http://Exploris.org) or 919-715-3690**



## **Thinking about Joining the Exploris Family?**

Are you looking for a school where your child will be appreciated for who they are today and for who they can become tomorrow? Consider applying to Exploris, a public K-8 school in Wake County that empowers learners to change the world through a rigorous, relevant, and relationship-based education.

## **What does it cost to attend Exploris?**

The Exploris School is a tuition-free, charter, public school. We welcome students & families regardless of race, color, religion, gender, national origin, disability, sexual orientation, or gender identity or expression. Any family with a legal residence in the state of North Carolina may apply for enrollment.

## **How do I apply?**

There is a simple form on our website: [www.exploris.org](http://www.exploris.org). It asks for students' names, ages, grades and family contact information. There are no essays or academic requirements. **Applications for this year must be completed by 4:00pm on February 2, 2018.**

## **What are the hours?**

The elementary school carpool begins at 8:10am and ends at 8:25am. Instruction begins at 8:30am and ends at 3:15pm. Afternoon carpool runs from 3:15-3:40pm. The middle school starts at 8:15am and ends at 3:15pm. Morning drop off begins at 7:55.

## **Extended care?**

Exploris does offer fee-based before and after school care on campus. Before care begins at 7:00am and after care ends at 6:00pm.

## **What kind of calendar does the school have?**

Exploris is a modified traditional calendar. We typically start around the third week of August and end around the first week of June. We take off traditional school holidays and have week long fall and spring breaks.

## **Transportation?**

Exploris currently does not provide transportation to students. We have a very active carpool community. If you need help arranging carpool, please contact your school's operations manager. All students under 12 may ride GoRaleigh busses free of charge. The GoRaleigh ID card ensures that students get either free fare (12 and under) or half price fare (13 and up.)

## **Meals?**

Exploris does not have a cafeteria. Most students bring their lunch and eat lunch in their home rooms, though during nice weather, crews often eat outside. We do have a hot meal service that can be ordered online. If you need food assistance, please talk to our school operations managers.

## **Lottery FAQ Sheet**

### **Who is eligible?**

Students who reside in North Carolina, meet the age and grade requirements, and have submitted an application by the announced date are eligible for admission. An application must be submitted for each child entering the lottery. Rising kindergarteners must be 5 years old prior to August 31, 2019. (Charter schools may refuse admission to any student who has been expelled or suspended from a public school until the expulsion or suspension has expired.)

### **How much does it cost to attend The Exploris School?**

Exploris is a free public charter school, so students attend for free!

### **Do we have to submit records from our previous school?**

Once a student is enrolled in Exploris, records/transcripts will be requested from his/her previous school.

### **How do we get an application?**

Applications can be completed online or in person at either campus. Information can be found on the school's website under the admissions tab. Families can set up an online SchoolMint account and complete an application for each child online. You can also call the school and request an application to be mailed or electronically sent beginning in November until the end of the application window on February 1, 2019.

### **Do we have to reapply every year?**

Once a student is accepted and is attending the school, there is no need to reapply. Students who are placed on the waiting list and who are not enrolled in the school must reapply for the lottery in subsequent years.

### **When will the lottery take place and are we allowed to attend?**

The lottery is conducted on the first Friday in March. The location will be made public and anyone may attend.

### **How does the lottery work?**

A random computerized lottery is facilitated by a third party vendor and overseen by the Executive Director. It is certified by an unbiased outside observer. The lottery will be held for each grade and seats filled according to the lottery. Once all available seats are

filled, the lottery continues through the entire pool of applicants and a waiting list for each grade is established.

**Does anyone receive priority admission?**

According to Exploris board policy approved by the North Carolina State Board of Education, the school provides priority enrollment for children of full-time employees, siblings of currently enrolled students, children of current Board members, and children of families determined to be Economically Disadvantaged (those who qualify for Free and Reduced Lunch). Please see application for details on priority eligibility. Families must indicate which priorities they qualify for on their application.

**How will we be notified?**

Families will be notified electronically after the lottery is held and informed whether they have been accepted or placed on our waitlist. Families may login to their SchoolMint account to check on their acceptance or waitlist status after the lottery is held. Additionally, parents are notified by email about next steps for enrollment and registration.

**How does the waiting list work?**

If a parent of a student declines, the open seat will be offered to the next applicant according to the priority designations defined in our lottery policy and waitlist order determined during the lottery. Please see below for important information about time limitations to accept or decline a seat.

**How long do we have to accept or decline our seat?**

Any student receiving a seat either through the initial lottery or through the waitlist will have a limited time to accept or decline the seat and, if offered the seat prior to the first day of school, must be present beginning the first day of school. Should a parent decline a spot, the open position will be offered to the next chronological applicant on the waiting list and these guidelines will apply. Outlined below are the time limitations to accept or decline a seat:

- From date of posting lottery results until June 1: 1 week to accept or decline a seat for the next school year and submit required enrollment paperwork
- From June 2 - to the first day of the new school year: 48 hours to accept or decline a seat for the upcoming school year and submit required enrollment paperwork

Important note: YOUR CHILD MUST BE IN ATTENDANCE THE FIRST DAY OF SCHOOL. If your child is not in school on the first day of school, the school will make reasonable efforts to contact the student's family via phone and email. If the school has

not heard from the family, the seat will be offered to the next student on the waitlist on the next day of school.

**I have a child who is currently enrolled at Exploris. Do I have to submit an application for his/her sibling?**

Yes. Only students who have submitted an application can be entered into our lottery. While siblings receive a preference, there is no guarantee of enrollment, particularly if multiple students with the sibling preference are applying for a limited number of spots.

**What about multiple birth applications? Do twins or triplets get multiple chances for admission?**

If multiple birth siblings apply for admission to a charter school and a lottery is needed, the charter school shall enter one surname into the lottery to represent all of the multiple birth siblings. If the surname of the multiple birth siblings is selected, then all of the multiple birth siblings shall be admitted as required by North Carolina state statutes.

**Does Exploris have school bus transportation?**

No. Exploris does not have school buses. Many of our families carpool, walk, bike, and use public transportation. Additionally, the school administration will work annually to identify transportation opportunities for children and share the information with parents and guardians.

**Does Exploris have a school cafeteria?**

No. Exploris does not have a school cafeteria. We work with outside vendors to provide lunch options for our students. The school administration will work with families that are economically disadvantaged to ensure that students have lunch at school.

Updated 11/28/18

## LEEDv4 Core and Shell Certification

Leadership in Energy and Environmental Design, or LEED, is the most widely used green building rating system in the world. Available for virtually all building, community and home project types, LEED certification provides a framework to create healthy, highly efficient and cost-saving green buildings. LEED certification is a globally recognized symbol of sustainability achievement.

LEEDv4 Core and Shell addresses the exterior shell and core mechanical, electrical, and plumbing systems - elements of City Gateway under our direct control. To encourage our tenants to implement sustainable design and construction features in their leasehold build-outs, we've prepared the City Gateway Design and Construction Guidelines. These guidelines provide a description of the sustainable design and construction features of City Gateway, as well as, recommendations for sustainable strategies, products, materials, and other information that will help you coordinate your space design and construction with the base building systems. We encourage you to consider pursuing LEEDv4 for Interior Design and Construction and offer our support in helping you achieve your sustainability goals.

## Location and Transportation

City Gateway is an urban infill development located on the site of a former Progress Energy data warehouse. Urban sites encourage compact development, alternative transportation, and connection with amenities, such as restaurants and parks. City Gateway's central location takes advantage of existing infrastructure including, public transit, street networks, pedestrian paths, bicycle networks, services and amenities, and existing utilities, such as electricity, water, gas, and sewage. This walkable and bike-friendly location can enhance health by encouraging daily physical activity, and proximity to services and amenities can increase happiness and productivity.

## Sensitive Land Protection

To reduce the environmental impact of developing environmentally sensitive lands, including prime farmland, floodplains, and wetlands.

City Gateway is located on previously developed land.

## Surrounding Density and Diverse Uses

To conserve land and protect farmland and wildlife habitat by encouraging development in areas with existing infrastructure. To promote walkability, and transportation efficiency and reduce vehicle distance traveled. To improve public health by encouraging daily physical activity.

Located in downtown Raleigh, City Gateway connects to existing infrastructure, including water, sewer, electricity, and fiber optic communication lines. Our urban setting promotes walkability and transportation efficiency with less reliance on motor vehicles for short-distance trips.

### Surrounding Density

The surrounding existing density, within a 0.25-mile radius of the project boundary, is 24,000 square feet per acre of buildable land.

### Diverse Uses

A variety of food, retail, services, civic and community facilities are located within a 0.50-mile walking distance of the main entrance of the building.

# Surrounding Density and Diverse Uses

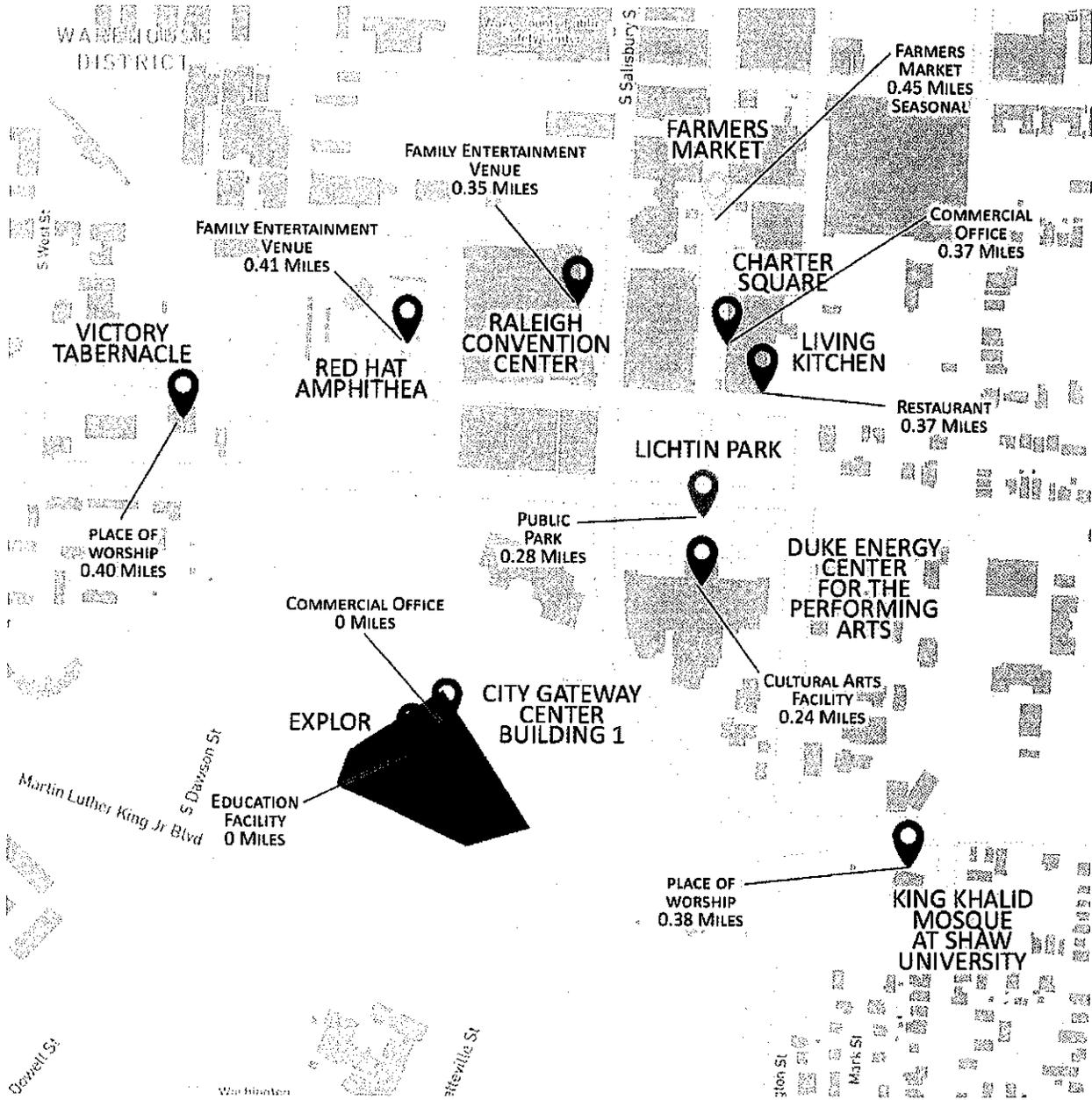


Illustration LT-01

## Access to Quality Transit

To encourage development in locations shown to have multimodal transportation choices or otherwise reduced motor vehicle use, thereby reducing greenhouse gas emissions, air pollution, and other environmental and public health harms associated with motor vehicle use.

City Gateway is conveniently located with easy access to multimodal transportation choices. Both GO Raleigh and GO Triangle serve bus stops within a 0.25-mile walking distance of City Gateway's main entry. Combined, these bus services provide access to 137 daily weekday trips and 120 daily weekend trips.

### GO Raleigh R-Line

The R-Line is an eco-friendly free circular bus service connecting downtown restaurants, retail, entertainment venues, museums, and hotels. These hybrid electric buses run every 15 minutes with 64 daily weekday trips and 77 daily weekend trips.

### GO Raleigh Route 11

Daily service between the downtown Amtrak station, Pullen Park, NC State University, Mission Valley Shopping Center and the Avent Ferry Shopping Center areas. Buses run every 30 minutes during peak hours and 60 minutes during off-peak hours with 25 daily weekday trips and 18 daily weekend trips.

### GO Triangle Route 300

Daily service between the downtown Regional Transit Center, the Fayetteville Street District, and Cary. Buses run every 30 minutes during peak hours and every 60 minutes during off-peak hours with 28 daily weekday trips and 26 daily weekend trips.

### GO Triangle 301

Daily service between the downtown Regional Transit Center, the Fayetteville Street District, Cary Train Station, and Cary. Buses run every 40 minutes during peak hours with 12 daily weekday trips.

### GO Triangle 305

Daily service between downtown Regional Transit Center, the Fayetteville Street District, the Research Triangle Park, Cary and Apex. Buses run every 60 minutes during peak hours with 8 daily weekday trips.

# Access to Nearby Transit Stops

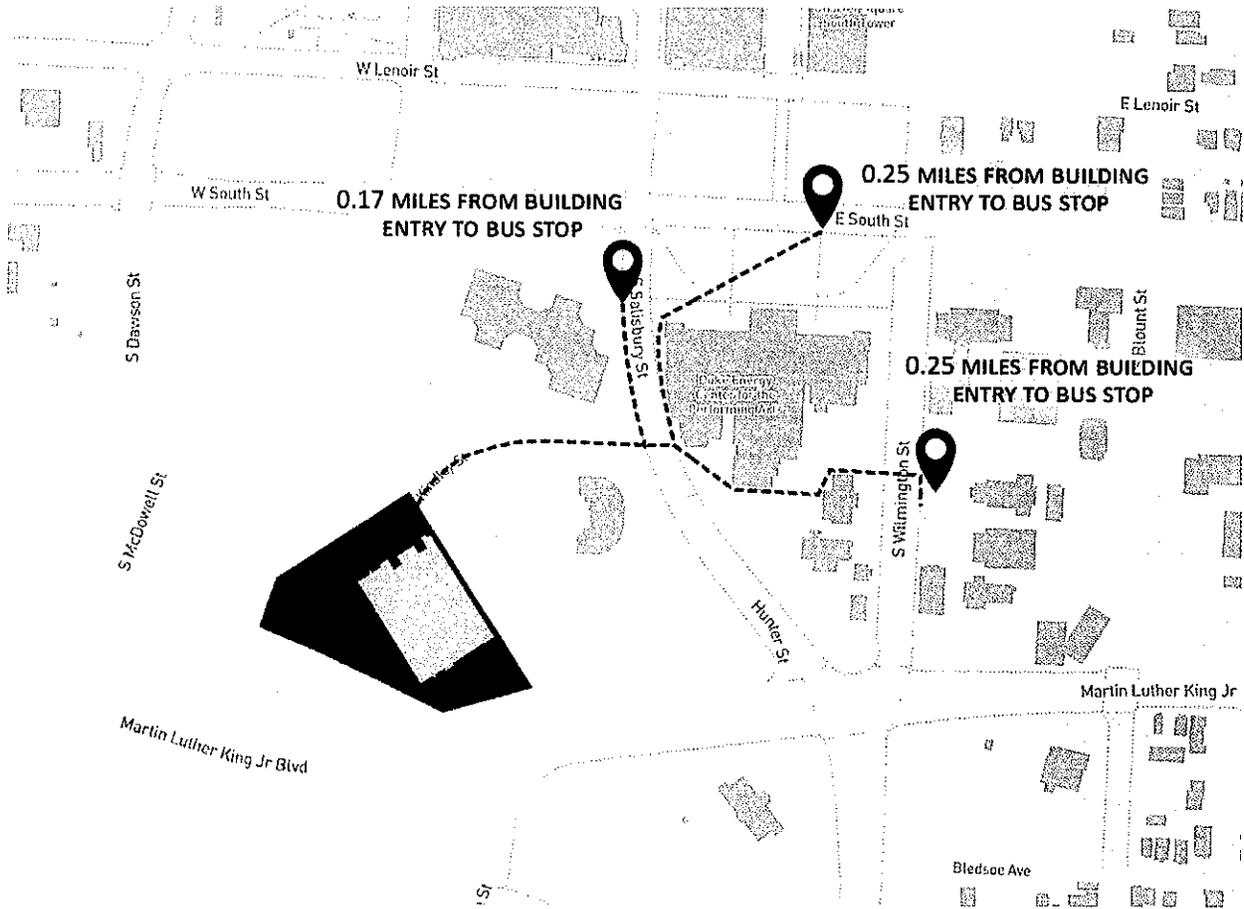


Illustration LT-02

## **Bicycle Facilities**

To promote bicycling as an alternative to automobile travel which reduces pollution while improving public health by encouraging physical activity.

### **Bicycle Network**

City Gateway abuts the Capital Area Greenway Trail System, providing tenants and visitors direct access to the downtown bicycle network. Within a 3-mile bicycling distance are diverse community-serving retail and services, civic and community facilities, major commercial office uses, and a commuter rail station.

### **Bicycle Storage and Shower Rooms**

Located a short distance from the main lobby, 24 short-term bicycle storage racks are available for use by visitors to City Gateway. As tenants, you have access to 30 long-term bicycle storage racks located on the 2<sup>nd</sup> floor of the parking deck. All bike riders have access to the Wellness Center's 6 on-site showers with changing areas.

## **Green Vehicles**

To promote alternatives to conventionally fueled automobiles to reduce pollution.

### **Preferred Parking for Green Vehicles**

City Gateway offers a discounted parking rate of 20% for green vehicles. The discounted rate is automatically applied to every qualifying vehicle by an intelligent parking management system. To qualify, a green vehicle must achieve a minimum green score of 45 on the American Council for an Energy Efficient Economy (ACEEE) annual vehicle rating guide.

### **Electric Vehicle Charging**

Electric vehicle ownership is supported with 13 electric vehicle charging stations located on each level of the parking deck. These Level 2 (240 volt) Electric Vehicle Supply Equipment (EVSE) parking spaces are clearly identified and reserved for the sole use by plug-in electric vehicles. The EVSEs are internet addressable and capable of participating in time-of-use pricing that encourages off-peak charging.



Proposal from Willow Grossman & Campbell White- 8th Grader Exploris Students who designed this program after completing the privilege walk and recognized not all students in our community have adequate food.

The Exploris School Food Pantry was created to help support the families at Exploris, and to help us reach our goal of making sure every Exploris student is well fed and does not have to worry about where their next meal is coming from. This program is confidential. There are two parts of the program: "Weekday Lunches" and "Weekend Boxes".

Weekday Lunches are put together by the student at the beginning of the day. Each lunch bag will include a variety of non-perishable, mostly shelf-stable foods that we strive to make healthy. We hope we will be able to include fresh produce later on. The process will be determined at a later date.

Weekend Boxes are assembled by Exploris student volunteers and contain food to feed an Exploris family over the weekend. They contain food for breakfast, lunch, and dinner for Saturday and Sunday. They will be assembled into large paper bags.

Confidentiality is very important. Although student volunteers are involved, all personal information and names have not and will not be shared with them.

For more information or to register for the program, please email Michelle Duncan at [michelled@exploris.org](mailto:michelled@exploris.org).

#### Donation Suggestions

Weekday Lunches	Weekend Boxes
<ul style="list-style-type: none"> <li>- Frozen sandwiches (think Uncrustables)</li> <li>- Granola Bars</li> <li>- Applesauce</li> <li>- Snack mix</li> <li>- Fruit and vegetable chip bags</li> <li>- Small popcorn bags</li> <li>- Dried fruits (cranberries, raisins)</li> <li>- Yogurt?</li> <li>- Seeds, nuts</li> <li>- Packaged muffins (think Little Bites)</li> <li>- Pudding</li> <li>- Jello</li> <li>- Packaged cookies (think Oreos, chips ahoy)</li> <li>- Paper napkins (recycled?)</li> <li>- Disposable cutlery</li> <li>- Lunch bags</li> <li>- Bags of sandwich crackers</li> <li>- Jerky</li> <li>- Individual hummus and chips packages ?</li> </ul>	<ul style="list-style-type: none"> <li>- Cereal</li> <li>- Long-lasting bread</li> <li>- Peanut butter</li> <li>- Jelly</li> <li>- Canned fruit (pineapple, peaches, apricots, etc.)</li> <li>- Canned vegetables (beans, corn, peas, etc.)</li> <li>- Canned meat (Spam, etc.)</li> <li>- Meals in a box (rice, beans)</li> <li>- Taco shells</li> <li>- Salsa</li> <li>- Refried beans</li> <li>- Uncooked pasta</li> <li>- Marinara sauce</li> <li>- Mac n' cheese</li> <li>- Chips</li> <li>- Oatmeal packets</li> <li>- Canned tuna</li> <li>- Mayonnaise</li> <li>- Crackers</li> </ul>

\*\* highlighted are not-so healthy

#### Letter for Possible Donations

Dear \_\_\_\_\_,

My name is Michelle Duncan, and I am the guidance counselor at The Exploris School, located in Downtown Raleigh. Me and a small group of students are working to start a food pantry for the school in hopes of better supporting our student families. We will be supplying lunches for students whose families cannot pay for lunches.

As part of this program we will be using reusable lunch boxes. Would you be willing to make a donation of twenty reusable lunch boxes to help kick off this program?

Thank you,  
Michelle Duncan and The Exploris School community

**Possible Partners/Sponsors**

- Raleigh Charter
- Longleaf
- Farmers Market
- Carol's Kitchen
- Whole Foods (dumpster diving)
- Walmart (for lunch boxes)
- Target (for lunch boxes)
- Food-Providing Organizations
  - No Kid Hungry
  - Interfaith-food shuttle
  - Stop Hunger Now
  - Backpack Buddies
  - PORCH Raleigh
  - Raleigh City Garden
  - Food Bank of Central/Eastern North Carolina

**Short Summary for Newsletter**

**Food Pantry at Exploris**

At Exploris, at least 7% of students would qualify for free or reduced lunch if they were at a Wake County public school. These families are an important part of our community, and to better meet their needs, we are starting a food pantry. In this program, students will be able to receive a lunch as well as food for the weekend. **The week of \_\_\_\_ will be your first chance to drop off donations at both the elementary and middle school.** If you would like to make a donation out of this time frame, please bring donations to Mary Margret or Carolee's offices. Below is a list of recommended foods to donate.

**Monetary donations are also accepted.** A \$20 donation can purchase one Exploris student's lunch for one week, and a \$80 donation will last a month. (Please write checks to the Exploris School). **Thank you in advance for your donations!** For more information, please email Michelle Duncan at [michelled@exploris.org](mailto:michelled@exploris.org).

List of recommended foods:

Frozen sandwiches (think Uncrustables), Granola Bars, Applesauce, Snack mix, Fruit and vegetable chip bags, Small popcorn bags, Dried fruits (cranberries, raisins), Seeds, nuts, Packaged muffins (think Little Bites), Pudding, Jello, Packaged cookies (Oreos, chips ahoy), Paper napkins (recycled, please), Disposable cutlery, Bags of sandwich crackers, Jerky, Cereal, Long-lasting bread, Peanut butter, Jelly, Canned fruit (pineapple, peaches, apricots, etc.), Canned vegetables (beans, corn, peas, etc.), Canned meat (Spam, etc.), Meals in a box (rice, beans), Taco shells, Salsa, Refried beans, Uncooked pasta, Marinara sauce, Mac n' cheese, Chips, Oatmeal packets, Canned tuna, Mayonnaise, Crackers

Form to identify the need of food

Sheet to record students getting food out

**School Supply List: Optional Items**

- Lunch bags
- Silverware
- Extra School Supplies

Dear Team 6,

Hi! We are trying to start a food pantry at Exploris with Michelle D, in hopes of better meeting the needs of students at our school. As you know, this is our last year at Exploris. We were wondering if, after we iron out all the details and get it started, you would take it as a service project for the 6th graders.

Responsibilities would include: packing lunches, running food drives/collecting food from the Interfaith Food Shuttle, and organizing stored food.

If you are interested in taking this after we leave, we would love to have a meeting with you to outline what it would look like.

Thanks,

Willow Grossmann and Campbell White

#### Plans for the Future

- Clean out storage
- Find lunch boxes
- Plan system for sixth grade to take over
  - 1 box for just need a snack
  - 1 box for can't get food

[https://docs.google.com/document/d/1zD4yq5BL\\_dMOP8yRVcFDQ3E\\_B2fzO74jR-2zqGIWvqI/edit](https://docs.google.com/document/d/1zD4yq5BL_dMOP8yRVcFDQ3E_B2fzO74jR-2zqGIWvqI/edit)

Number of students that meet guidelines for free or reduced meals and the number of meals Exploris currently provides daily.

	Free	Reduced	Meals provided
Kindergarten	5	1	4
1st	4	0	1
2nd	2	4	
3rd	0	0	
4th	2	1	
5th	3	1	1
6th	7	2	4
7th	4	3	2
8th	6	3	3
			15

### Economically Disadvantaged Guidelines

	Reduced Meals	Free Meals
Two people in household:	<input type="checkbox"/> Income less than \$30,451	<input type="checkbox"/> Income less than \$21,398
Three people in the household	<input type="checkbox"/> Income less than \$38,443	<input type="checkbox"/> Income less than \$27,014
Four people in the household	<input type="checkbox"/> Income less than \$46,435	<input type="checkbox"/> Income less than \$32,630
Five people in the household	<input type="checkbox"/> Income less than \$54,427	<input type="checkbox"/> Income less than \$38,246
Six people in the household	<input type="checkbox"/> Income less than \$62,419	<input type="checkbox"/> Income less than \$43,862
Seven people in the household	<input type="checkbox"/> Income less than \$70,411	<input type="checkbox"/> Income less than \$49,478
Eight people in the household	<input type="checkbox"/> Income less than \$78,403	<input type="checkbox"/> Income less than \$55,094



Michelle Parkerson <mparkerson@exploris.org>

## Help w/ Food Solution for Schools

white <white@communityfoodlab.org>

Sun, Mar 17, 2019 at 3:37 PM

To: Michelle Parkerson <mparkerson@exploris.org>

Cc: communityfoodlab <communityfoodlab@gmail.com>, Michelle Duncan <michelled@exploris.org>

Hi Michelle and Michelle!

Thanks so much for including us in the planning, and I hope that we can find a meaningful place in the grant! Really enjoyed our conversation today, and I'm looking forward to next steps.

As we discussed in person, Community Food Lab would love to take on a multi-faceted role within the larger grant, to help shepherd the food elements to support the needs of your educationally disadvantaged students. We have the experience and ability to provide this focused area of expertise and capacity for your team.

- network and relationship development
- curriculum development and support (12-week expedition)
- lunch and food access business plan development
- refine student process and community network process

From our conversation, we have put together the following outline scope of work. It is broken out by year, and includes key activities, anticipated costs, and suggestions on how to categorize tasks under allowable project cost headings.

I hope this all makes sense. Please let me know if I can answer any questions or provide additional material!

best

Erin

+++++

Community Food Lab  
Outline Scope of Work NC ACCESS:

General:

- Throughout our involvement term, we would manage or co-manage the milestones, deliverables, and expectations of the food element within the grant.
- We would help ensure effective integration of the food element into the large grant goals and activity, and seek opportunities for win-win solutions where possible (for instance, could solutions meet both food and transportation goals?)
- We would, based on our positioning within Raleigh and Wake County food conversations, help Exploris stay up to speed on, and find opportunities in, relevant new local projects or initiatives.

Year 1:

- Work with teachers to develop a 12-week food expedition focused on understanding and mapping food needs and assets with Exploris' community, understanding and mapping food assets outside of Exploris, and developing creative solutions to address Exploris' food needs. (Cost: \$3000) (Allowable source: Instruction + Curriculum Dev)
- Assist teachers in delivering the 12-week food expedition. (Cost: \$3000) (Allowable source: Instruction + Curriculum Dev)
- Bring our unique expertise to network development and relationship building within Raleigh and Wake County's food landscape (value-add, no additional cost)
- Translate student findings and recommendations into a policy direction and business plan to improve food access for all Exploris students, and work towards the goal of a nutritious lunch for every Exploris student every day (Cost: \$14000) (Allowable source: Professional + Technical Services)

Year 2:

- Continue business plan development as needed under Year 1 cost budget. This may be dependent on when in school year the Year 1 Expedition is taught.

Year 3:

- Evaluate and refine food access and community network tools and approaches. Work with teachers to revise food expedition into adaptable model. Advise on second food expedition based on Exploris' emerging food access needs. (Cost: \$5000) (Allowable source: Instruction + Curriculum Dev)

Total Proposed Years 1-3:  
\$25000

Proposed Year 3 metrics:

3/18/2019 56

The Exploris School Mail - Help w/ Food Solution for Schools

- All students have access to nutritious lunch everyday.
- Additional food access resources are in planning.

Following Year 3, additional food program opportunities should be sought, ideally by students. Additional funding sources for planning these future opportunities will need to be developed. Possible programs for Year 3 and beyond focus: universal breakfast and lunch programs, on-site agriculture, area farm-to-school experiences, or robust weekend and holiday food support.

--- On Sun, 10 Mar 2019 08:55:59 -0400 Michelle Parkerson <mparkerson@exploris.org> wrote ---  
[Quoted text hidden]

--  
erin white  
founder/principal | community food lab | communityfoodlab.org  
erinsullivanwhite@gmail.com | 919.995.0460



**Exhibit C: NC ACCESS Program Subgrant Application Evaluation Rubrics**



**North Carolina Advancing Charter Collaboration  
and Excellence for Student Success (NC ACCESS) Program  
Subgrant Application Rubric**

Applicant: The Exploris School

Reviewer Name: **Barbara O'Neal**

## **Overview of the NC ACCESS Subgrant Program**

In 2018, the North Carolina Department of Public Instruction (NCDPI) was awarded a Public Charter Schools Program (CSP) grant from the U.S. Department of Education (USDOE) of approximately \$26,600,000. The CSP grant will be used to implement the North Carolina Advancing Charter Collaboration and Excellence for Student Success (NC ACCESS) Program to:

1. Increase the number of educationally disadvantaged students attending high quality charter schools and expand the number of high quality charter schools available to educationally disadvantaged students;
2. Develop a cohort of 100 charter school leaders who can develop and demonstrate best practices in serving educationally disadvantaged students; and
3. Broadly disseminate best practices in serving educationally disadvantaged students and foster collaboration in the charter school community and between charter schools and traditional public schools.

The NC ACCESS Program and CSP define educationally disadvantaged students as students who are economically disadvantaged, homeless or unaccompanied youth, English learners, and students with disabilities.

The NC ACCESS program has allocated the majority of the CSP funds to advance Priority 1 listed above through school-level subgrants, though subgrant recipients must also demonstrate a desire to share best practices with both charter schools and traditional public schools. For each of the five (5) years of the federal CSP award, the NC ACCESS Program will run a competitive subgrant competition and award subgrants to North Carolina charter schools that propose a comprehensive plan to increase the number of educationally disadvantaged students attending high quality charter schools and expand the number of high quality charter schools available to educationally disadvantaged students.

## **Ratings and Criteria**

The NC ACCESS Subgrant Program is a competitive application process designed to award funding for schools that propose to serve an increased number of educationally disadvantaged students. Each subgrant application will be reviewed by a team of NC ACCESS Program team members and external evaluators. All evaluations will be considered, and a recommendation will be made to the Charter School Advisory Board (CSAB). The CSAB will take all recommendations, application reviews, and due diligence into account and make a recommendation for the approval of subgrants to the State Board of Education (State Board). The State Board will determine the final approval of all subgrant awards.

A subgrant application that merits a recommendation for approval should present a clear, realistic picture of how the school expects to successfully implement the proposed plans to increase the number of educationally disadvantaged students attending high quality charter schools and expand the number of high quality charter schools available to educationally disadvantaged students. In addition to meeting the criteria that are specific to each section, each part of the proposal should align with the overall mission, budget, and goals of the application and NC ACCESS Program.

Recommendations for approval or denial will be based on the completed application which includes school information, signed assurances, enrollment projections, application narrative, budget, budget narrative, logic model, and appendices. The enrollment projections, application narrative, budget, budget

narrative, and logic model are scored out of a possible 100 points. Applicants must score at least 80 points to meet the standard.

Applications that do not meet standard in all sections as evidenced by the summary review ratings will be deemed not ready for approval.

### **Instructions for Reviewers**

Reviewers should complete each rubric section based on the evidence provided in the application. There are eight (8) total rating sections to complete:

- I. Applicant Contact Information
- II. Signed Assurances
- III. Enrollment Projections
- IV. Application Narrative (no more than fifteen (15) pages)
  - a. If applicable, a school closure plan (no more than five (5) pages)
- V. Budget, Budget Narrative, and Logic Model (no more than five (5) pages)
- VI. Competitive Preference Standards (optional)
- VII. Priority Consideration Status
- VIII. Certification

Please note that there may be appendices to support information provided in the above sections. When evaluating an application, reviewers should both rate each section and provide comments, if applicable. Reviewers should look for responses that reflect a thorough understanding of key issues and barriers for educationally disadvantaged students. Responses should clearly align with the mission, goals, and budget of the proposed plan. Each response should include specific and accurate information that shows thorough preparation and understanding of school operations and serving educationally disadvantaged students. Reviewers should use objective language and complete sentences in their comments on the strengths and weaknesses/areas of concern of each section of the application. The comments and evidence provided are as significant as the rating. Below are examples of specific and detailed comments:

#### **Strengths of the application:**

- “The plan aligns with the overall mission and goals because...”
- “The education and discipline plans are research based and proven effective with the targeted population of students because...”
- “The lunch program is comparable to the National School Lunch Program and will support an educationally disadvantaged population by...”
- “The marketing plan clearly outlines how the school will recruit and enroll a higher educationally disadvantaged population by...”
- “The budget uses sound assumptions and is consistent with the goals of the proposed plan.”

#### **Weaknesses/areas of concern of the application:**

- “The curriculum and school calendar do not align with the mission and goals because . . .”
- “The discipline plan does not include provisions for students with disabilities.”
- “The budget assumptions include the unallowable use of funds for construction.”
- “The plan proposes two buses, but there is no accompanying line item in the budget that allocates funds for purchasing buses.”

Applicant:

Once all eight (8) rating sections are scored individually, the applicant should complete the summary ratings page with all final ratings and scores. In order to pass the review, applicants must (a) meet all criteria in sections (I), (II), and (VIII); and (b) score at least 80 combined points between sections (III), (IV), (V), and (VI). Section (VII) will be used to determine priority if there are more eligible applications than subgrant awards. The CSAB will make a final recommendation to the State Board on subgrant awards. The State Board will determine the final approval of all subgrant awards.

*\*Please remember that all documents, including your individual review, may at some time be available to the public.*

**Application Scoring Rubric**

**Section I – Application Contact Information**

- All applicant contact information is complete and accurate.

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		
No weaknesses noted.		

**Section II – Assurances**

- Assurances are signed.

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		
No weaknesses noted.		

**Section III – Enrollment Projections**

- Enrollment projections are complete, ambitious, and realistic.
- Enrollment projections demonstrate a significant increase of educationally disadvantaged students, including economically disadvantaged, homeless or unaccompanied youth, English learners, and students with disabilities.

<b>Points Possible:</b>	10	<b>Points Earned:</b>	10
<b>Overall Strengths:</b>			
The applicant provided a detailed narrative describing how the proposed expanded program is committed to increasing equity and diversity by serving educationally disadvantaged students to ensure the school reflects the demographics of Wake County. One of the strategies the applicant will use is a weighted lottery that will give priority to economically disadvantaged students over a five-year period. Over five years the applicant is proposing significant increases from the current 98 (EDS) to 218 (EDS) students, which is a 32% increase. The applicant will additionally increase enrollment in grades K-8 from 447 students to 680 students overall.			
<b>Overall Weaknesses/Areas of Concern:</b>			
No weaknesses noted.			

**Section IV – Application Narrative** (\*see subgrant application for full list of narrative questions)

- Clear rationale for how the projected enrollment figures are ambitious and feasible, including the implementation of a weighted lottery.
- Detailed description of how the educational program, school calendar, and professional development plans are specifically tailored to meet the needs of educationally disadvantaged students.
- At least three (3) school-specific SMART goals are provided to support the proposed plan.
- Clear explanation of how the charter school’s education plan compares to or differs from that of the local LEA(s).
- General Education Provision Act (GEPA) statement demonstrating how the school has or will eliminate any and all barriers to enrollment for educationally disadvantaged students.
- Clear description of the strategies the charter school currently uses or plans to use to serve educationally disadvantaged students.
- Detailed description of the roles and responsibilities of the applicant, partner organizations, and CMO/EMO, including the administrative and contractual roles and responsibilities of such partners.
- Detailed plan for how the governing board will contribute to the recruitment and development of educationally disadvantaged students.
- Clear vision for the school’s climate philosophy and a comprehensive discipline plan that supports the development of educationally disadvantaged students.
- Detailed marketing and recruiting plan is described, with an emphasis on strategies to provide outreach to the families of educationally disadvantaged students.
- Clear and comprehensive transportation and school lunch plans are provided.
- A coherent plan to implement the parent/community advisory council.
- If applicable, detailed plans for forming a Student Transition Committee and a clear and specific Student Transition Plan.

<b>Points Possible:</b>	60	<b>Points Earned:</b>	55
<b>Overall Strengths:</b>			
<p>The applicant provided a detailed and concise application narrative that clearly describes a strong educational program that is aligned with detailed professional development plan to ensure teachers are prepared to deliver the program. For example, the applicant indicated the need to build teacher capacity through ongoing robust professional development and culturally responsive programming to increase student achievement as measured by meeting or exceeding expected growth in all subgroups. The three (3) smart goals and the GEP statement provided were intentional and focused on the core goals of the NC ACCESS priorities. The applicant provided details on community partnerships and the continued support of parents. The partners and parents have a strong presence in the community and aligned comprehensive plans to reach out to prospective students. The applicant provided a clear vision for the school’s climate and the vision for all students at the school.</p>			
<b>Overall Weaknesses/Areas of Concern:</b>			
<p>While the applicant provided some insights regarding a transportation program more concise details will be required before finalizing the award of grant funds. As indicated in the applicant’s narrative, the school is hoping the students recruited will live in walking distance or able to join a car pool. If this is so, this will limit the possibilities for a diverse pool of recruits. Additionally, the applicant needs to provide a more detailed lunch plan for the finalization of the grant awards. The applicant has</p>			

**Section V – Budget, Budget Narrative, and Logic Model**

- Budget outlines complete, realistic, and viable costs for the duration of the grant period.
- Detailed budget narrative clearly explains reasonable, well-supported cost assumptions anticipated for the duration of the grant period, as well as a plan that demonstrates financial viability beyond the expiration of the grant period.
- All operational costs and major expenditures are accounted for and are realistic.
- There is clear alignment between the budget, budget narrative, and the proposed plan to support educationally disadvantaged students.
- Logic Model clearly demonstrates how actions and expenditures are expected to lead to specific outcomes.

<b>Points Possible:</b>	30	<b>Points Earned:</b>	30
<b>Overall Strengths:</b>			
<p>The applicant provided a detailed budget that was clearly aligned with the budget narrative. The applicant clearly justifies the operations costs and they are realistic. For example, the applicant discusses in the narrative the need to train teachers to prepare for diverse students. In the budget, the applicant is providing teachers professional development from consultants to provide instructional strategy support and develop training and curricula, especially in the area of Culturally Relevant teaching to ensure that they are appropriately embracing culturally relevant practices.</p>			
<b>Overall Weaknesses/Areas of Concern:</b>			
<p>No weaknesses noted.</p>			

**Section VI – Competitive Preference Standards**

- The applicant may receive up to three (3) points for each competitive preference standard.
- The applicant should provide evidence in the application narrative and appendices.

<b>Opening, expanding, or replicating a school in a rural or underserved urban area (i.e. without a high-quality school within fifteen (15) miles).</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	0
<b>Notes (if applicable):</b>			
Not applicable.			

<b>Increasing the racial and ethnic diversity in their new, expanded, or replicated school.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	3
<b>Notes (if applicable):</b>			
The applicant clearly indicated that the proposed program will utilize grant funds to increase racial and ethnical diversity among students. The applicant has provided preliminary data that indicate there are five communities with 287 students ages (and 4-12) and 85%are minority and 100% are socio-economically disadvantaged. The applicant provided a plan to intentionally focus and target on this group of students as prospective applicants.			

<b>The inclusion of high school (9-12) grade levels.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	0
<b>Notes (if applicable):</b>			
Not applicable.			

<b>Develop or manage a charter school focused on dropout recovery and academic reentry.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	0
<b>Notes (if applicable):</b>			
Not applicable.			

**Section VII – Priority Consideration Status**

- The applicant meets the requirements for the following priority consideration criteria:

Priority Consideration Criteria:	Criteria Met:
Currently serve a forty percent (40%) or higher economically disadvantaged population.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Economically disadvantaged, English learners, and students with disabilities have proficiency rates higher than the state average for their subgroup.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
As evidence of participation in applicable federal programs, have Title I status.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Maintained an “A” or “A+NG” SPG, as determined by the NCDPI, and met or exceeded growth, as determined by EVAAS, for three consecutive years prior to the application.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Priority Consideration Status Total (number of criteria met above):</b>	<b>1</b>

**Section VIII – Certification**

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		

**Summary**

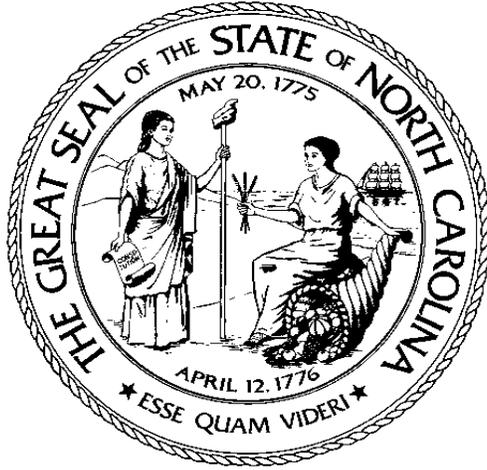
- Please complete the summary tables below with the final ratings from each section above:

General Standards	Status
Section I – Application Contact Information	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
Section II – Assurances	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
Section VIII – Certification	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
<b>Total (must meet <i>all</i> standards to pass)</b>	<input checked="" type="checkbox"/> <b>Pass</b> <input type="checkbox"/> <b>Fail</b>

Technical Standards	Points Possible	Points Earned
Section III – Enrollment Projections	10	10
Section IV – Application Narrative	60	55
Section V – Budget, Budget Narrative, and Logic Model	30	30
Section VI – Competitive Preference Standards	Up to 12	3
<b>Total (must receive at least <i>80 points</i> to pass)</b>	<b>100</b>	<b>98</b>

Priority Standards	Standards Possible	Standards Met
Section VII – Priority Consideration Status	4	1

Overall Application Status	Rating
In order to pass, the application must (a) achieve a rating of “Pass” for the General Standards and (b) score at least 80 points on the Technical Standards. The Priority Standards will be used to determine priority if there are more eligible applications than available awards.	<input type="checkbox"/> <b>Pass with Priority</b>
	<input checked="" type="checkbox"/> <b>Pass</b>
	<input type="checkbox"/> <b>Fail</b>



**North Carolina Advancing Charter Collaboration  
and Excellence for Student Success (NC ACCESS) Program  
Subgrant Application Rubric**

Applicant: The Exploris School

Reviewer Name: Les Stein

## **Overview of the NC ACCESS Subgrant Program**

In 2018, the North Carolina Department of Public Instruction (NCDPI) was awarded a Public Charter Schools Program (CSP) grant from the U.S. Department of Education (USDOE) of approximately \$26,600,000. The CSP grant will be used to implement the North Carolina Advancing Charter Collaboration and Excellence for Student Success (NC ACCESS) Program to:

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3. Broadly disseminate best practices in serving educationally disadvantaged students and foster collaboration in the charter school community and between charter schools and traditional public schools.

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## **Ratings and Criteria**

The NC ACCESS Subgrant Program is a competitive application process designed to award funding for schools that propose to serve an increased number of educationally disadvantaged students. Each subgrant application will be reviewed by a team of NC ACCESS Program team members and external evaluators. All evaluations will be considered, and a recommendation will be made to the Charter School Advisory Board (CSAB). The CSAB will take all recommendations, application reviews, and due diligence into account and make a recommendation for the approval of subgrants to the State Board of Education (State Board). The State Board will determine the final approval of all subgrant awards.

A subgrant application that merits a recommendation for approval should present a clear, realistic picture of how the school expects to successfully implement the proposed plans to increase the number of educationally disadvantaged students attending high quality charter schools and expand the number of high quality charter schools available to educationally disadvantaged students. In addition to meeting the criteria that are specific to each section, each part of the proposal should align with the overall mission, budget, and goals of the application and NC ACCESS Program.

Recommendations for approval or denial will be based on the completed application which includes school information, signed assurances, enrollment projections, application narrative, budget, budget narrative, logic model, and appendices. The enrollment projections, application narrative, budget, budget

narrative, and logic model are scored out of a possible 100 points. Applicants must score at least 80 points to meet the standard.

Applications that do not meet standard in all sections as evidenced by the summary review ratings will be deemed not ready for approval.

### **Instructions for Reviewers**

Reviewers should complete each rubric section based on the evidence provided in the application. There are eight (8) total rating sections to complete:

- I. Applicant Contact Information
- II. Signed Assurances
- III. Enrollment Projections
- IV. Application Narrative (no more than fifteen (15) pages)
  - a. If applicable, a school closure plan (no more than five (5) pages)
- V. Budget, Budget Narrative, and Logic Model (no more than five (5) pages)
- VI. Competitive Preference Standards (optional)
- VII. Priority Consideration Status
- VIII. Certification

Please note that there may be appendices to support information provided in the above sections. When evaluating an application, reviewers should both rate each section and provide comments, if applicable. Reviewers should look for responses that reflect a thorough understanding of key issues and barriers for educationally disadvantaged students. Responses should clearly align with the mission, goals, and budget of the proposed plan. Each response should include specific and accurate information that shows thorough preparation and understanding of school operations and serving educationally disadvantaged students. Reviewers should use objective language and complete sentences in their comments on the strengths and weaknesses/areas of concern of each section of the application. The comments and evidence provided are as significant as the rating. Below are examples of specific and detailed comments:

#### **Strengths of the application:**

- “The plan aligns with the overall mission and goals because...”
- “The education and discipline plans are research based and proven effective with the targeted population of students because...”
- “The lunch program is comparable to the National School Lunch Program and will support an educationally disadvantaged population by...”
- “The marketing plan clearly outlines how the school will recruit and enroll a higher educationally disadvantaged population by...”
- “The budget uses sound assumptions and is consistent with the goals of the proposed plan.”

#### **Weaknesses/areas of concern of the application:**

- “The curriculum and school calendar do not align with the mission and goals because . . .”
- “The discipline plan does not include provisions for students with disabilities.”
- “The budget assumptions include the unallowable use of funds for construction.”
- “The plan proposes two buses, but there is no accompanying line item in the budget that allocates funds for purchasing buses.”

Applicant:

Once all eight (8) rating sections are scored individually, the applicant should complete the summary ratings page with all final ratings and scores. In order to pass the review, applicants must (a) meet all criteria in sections (I), (II), and (VIII); and (b) score at least 80 combined points between sections (III), (IV), (V), and (VI). Section (VII) will be used to determine priority if there are more eligible applications than subgrant awards. The CSAB will make a final recommendation to the State Board on subgrant awards. The State Board will determine the final approval of all subgrant awards.

*\*Please remember that all documents, including your individual review, may at some time be available to the public.*

**Application Scoring Rubric**

**Section I – Application Contact Information**

- All applicant contact information is complete and accurate.

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		

**Section II – Assurances**

- Assurances are signed.

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		

**Section III – Enrollment Projections**

- Enrollment projections are complete, ambitious, and realistic.
- Enrollment projections demonstrate a significant increase of educationally disadvantaged students, including economically disadvantaged, homeless or unaccompanied youth, English learners, and students with disabilities.

<b>Points Possible:</b>	10	<b>Points Earned:</b>	5
<b>Overall Strengths:</b>			
The enrollment projections demonstrate an increase in the anticipated number of educationally disadvantaged students that will attend The Exploris School.			
<b>Overall Weaknesses/Areas of Concern:</b>			
The population of students for the year 2022-2023 has been increased from 600 (current number) – to 680 (projected number). The narrative provides no explanation for this increase.			
The additional number of ED students that will be served by the subgrant is not very significant and raises a question about how the term “expansion” is being defined. Specifically, the relationship between the current and projected number of ED students for years 1 – 5 show that an additional 17 students will be served in year 1; 18 in year 2; 21 in year 3; 61 in year 4; and 48 in year 5. This means that under the current plan an average of 131 educationally disadvantaged students will be served during the next five years. The average number of ED students served under the projected figures increases to 164. This means that on average, The Exploris School will serve an additional 34 ED students each year. Does this qualify as an expansion?			

**Section IV – Application Narrative** (*\*see subgrant application for full list of narrative questions*)

- Clear rationale for how the projected enrollment figures are ambitious and feasible, including the implementation of a weighted lottery.
- Detailed description of how the educational program, school calendar, and professional development plans are specifically tailored to meet the needs of educationally disadvantaged students.
- At least three (3) school-specific SMART goals are provided to support the proposed plan.
- Clear explanation of how the charter school’s education plan compares to or differs from that of the local LEA(s).
- General Education Provision Act (GEPA) statement demonstrating how the school has or will eliminate any and all barriers to enrollment for educationally disadvantaged students.
- Clear description of the strategies the charter school currently uses or plans to use to serve educationally disadvantaged students.
- Detailed description of the roles and responsibilities of the applicant, partner organizations, and CMO/EMO, including the administrative and contractual roles and responsibilities of such partners.
- Detailed plan for how the governing board will contribute to the recruitment and development of educationally disadvantaged students.
- Clear vision for the school’s climate philosophy and a comprehensive discipline plan that supports the development of educationally disadvantaged students.
- Detailed marketing and recruiting plan is described, with an emphasis on strategies to provide outreach to the families of educationally disadvantaged students.
- Clear and comprehensive transportation and school lunch plans are provided.
- A coherent plan to implement the parent/community advisory council.
- If applicable, detailed plans for forming a Student Transition Committee and a clear and specific Student Transition Plan.

<b>Points Possible:</b>	60	<b>Points Earned:</b>	55
<b>Overall Strengths:</b>			
<p>The Exploris School’s educational program is very well aligned with its mission and its projected expansion to address a larger EDS population. The five pillars identified in the narrative are supported by solid research and they demonstrate a very realistic and feasible approach to supporting ED students.</p> <p>The section titled, “Comparison to Local LEA” explains how The Exploris School will be different from and also effectively complement the local public schools. The strength of this section is also highlighted by the fact that The Exploris School values many of the instructional methods used by the local LEA and will seek to take advantages of their best practices.</p> <p>The Exploris School’s community partnerships, like CIS Wake, Interfaith Food Shuttle, and NC TEACCH, clearly exemplify a strong commitment to educating its students and especially those who are educationally disadvantaged.</p> <p>The Exploris school provides a detailed and well-developed staff development plan – one that will effectively use the grant dollars to support culturally relevant teacher training opportunities, especially in areas such as EC, ELL, and various forms of intervention.</p>			

All sections of the application's narrative are well supported by existing research. This effectively legitimizes The Exploris School's arguments for expanding its academic offerings to educationally disadvantaged students.

The application makes it clear that The Exploris School's leadership has given careful thought to the increased number of ED s students' transportation needs. The plan is thorough although it will need to be further refined as the school's population is more clearly defined.

**Overall Weaknesses/Areas of Concern:**

The school calendar includes 174 days of instruction for the students. Although the total number of instructional contact hours exceed the minimum state requirement, the 174 school days identified by the calendar means that working parents of educationally disadvantaged students will need to find alternative child care services. The application does not address this concern in any detail. Is it possible for The Exploris School to expand the school year and provide more school days to its students?

The application's lunch plan needs to include more assurances that the all students will receive affordable and nutritious meals. Presently, the plan identifies an "intent" rather than a clear explanation for how the meals will meet the EDS population's needs. There is also no mention of breakfast. Research shows that a significant number of educationally disadvantaged students do not receive an adequate breakfast, which in turn has negative repercussions on their academic performances.

Discussion about the purpose, scope, and recruitment for the Parent Advisory Council would benefit from a few more details. This council will play a significant role in the success of the school's efforts to increase the number of ED students. What are the incentives for participating on this council? How will The Exploris School encourage participation in this effort?

**Section V – Budget, Budget Narrative, and Logic Model**

- Budget outlines complete, realistic, and viable costs for the duration of the grant period.
- Detailed budget narrative clearly explains reasonable, well-supported cost assumptions anticipated for the duration of the grant period, as well as a plan that demonstrates financial viability beyond the expiration of the grant period.
- All operational costs and major expenditures are accounted for and are realistic.
- There is clear alignment between the budget, budget narrative, and the proposed plan to support educationally disadvantaged students.
- Logic Model clearly demonstrates how actions and expenditures are expected to lead to specific outcomes.

<b>Points Possible:</b>	30	<b>Points Earned:</b>	20
<b>Overall Strengths:</b>			
The budget and its associated explanations are well developed and include appropriate details. Both support the application’s narrative.			
<b>Overall Weaknesses/Areas of Concern:</b>			
<p>It would help if the budget narrative addressed, in greater detail, how The Exploris School will sustain its academic programs after the NC Access subgrant funds have been expended. The narrative answers a few of these questions, but it makes it clear that this issue will have to be addressed in the future when it argues that “Exploris will also seek out additional grant funding in the future to continue to grow and enhance programming for our educationally disadvantaged students.” Some programs funded by the NC ACCESS subgrant will become embedded in the school’s operation, which means that future funding should be identified as part of this application. For instance, the narrative identifies the free Readiness Camp and tutoring programs. Each is a very worthwhile endeavor. What is the plan for funding these programs after the 2023-24 school year?</p> <p>The Exploris School seeks additional funds, through the NC ACCESS subgrant, to support the projected increases in its educationally disadvantaged student population between the 2019/2020 and 2023/2024 school years. The amount of the subgrant (\$600,000) does not appear to be proportional to the number of additional ED students that will be served during the grant period’s five years. Specifically, and as noted in the discussion about enrollment projections, the relationship between the current and projected number of ED students for years 1 – 5 show that an additional 17 students will be served in year 1; 18 in year 2; 21 in year 3; 61 in year 4; and 48 in year 5. This means that under the current plan an average of 131 educationally disadvantaged students will be served. The average number of ED students served if the subgrant is approved will increase to 164. It is difficult to understand why The Exploris School will need \$600K to support an average increase of only 34 ED students per year.</p> <p>The application provides audit information about The Exploris School’s budget for 2018. This shows that the school had a healthy budget surplus. If this trend continues for the coming years, is it possible that The Exploris School will not need the subgrant to support its limited expansion of ED students?</p> <p>Given the large amount of the funding request, it appears that much of it will ultimately benefit The Exploris School’s non educationally disadvantaged students.</p>			

**Section VI – Competitive Preference Standards**

- The applicant may receive up to three (3) points for each competitive preference standard.
- The applicant should provide evidence in the application narrative and appendices.

<b>Opening, expanding, or replicating a school in a rural or underserved urban area (i.e. without a high-quality school within fifteen (15) miles).</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	0
<b>Notes (if applicable):</b>			

<b>Increasing the racial and ethnic diversity in their new, expanded, or replicated school.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	0
<b>Notes (if applicable):</b>			

<b>The inclusion of high school (9-12) grade levels.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	0
<b>Notes (if applicable):</b>			

<b>Develop or manage a charter school focused on dropout recovery and academic reentry.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	0
<b>Notes (if applicable):</b>			

**Section VII – Priority Consideration Status**

- The applicant meets the requirements for the following priority consideration criteria:

Priority Consideration Criteria:	Criteria Met:
Currently serve a forty percent (40%) or higher economically disadvantaged population.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Economically disadvantaged, English learners, and students with disabilities have proficiency rates higher than the state average for their subgroup.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
As evidence of participation in applicable federal programs, have Title I status.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Maintained an “A” or “A+NG” SPG, as determined by the NCDPI, and met or exceeded growth, as determined by EVAAS, for three consecutive years prior to the application.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Priority Consideration Status Total (number of criteria met above):</b>	

**Section VIII – Certification**

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		

**Summary**

- Please complete the summary tables below with the final ratings from each section above:

<b>General Standards</b>	<b>Status</b>
Section I – Application Contact Information	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
Section II – Assurances	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
Section VIII – Certification	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
<b>Total (must meet <i>all</i> standards to pass)</b>	<input checked="" type="checkbox"/> <b>Pass</b> <input type="checkbox"/> <b>Fail</b>

<b>Technical Standards</b>	<b>Points Possible</b>	<b>Points Earned</b>
Section III – Enrollment Projections	10	5
Section IV – Application Narrative	60	55
Section V – Budget, Budget Narrative, and Logic Model	30	20
Section VI – Competitive Preference Standards	Up to 12	0
<b>Total (must receive at least <i>80 points</i> to pass)</b>	<b>100</b>	<b>80</b>

<b>Priority Standards</b>	<b>Standards Possible</b>	<b>Standards Met</b>
Section VII – Priority Consideration Status	<b>4</b>	<b>0</b>

<b>Overall Application Status</b>	<b>Rating</b>
In order to pass, the application must (a) achieve a rating of “Pass” for the General Standards and (b) score at least 80 points on the Technical Standards. The Priority Standards will be used to determine priority if there are more eligible applications than available awards.	<input type="checkbox"/> <b>Pass with Priority</b>
	<input checked="" type="checkbox"/> <b>Pass</b>
	<input type="checkbox"/> <b>Fail</b>



**North Carolina Advancing Charter Collaboration  
and Excellence for Student Success (NC ACCESS) Program  
Subgrant Application Rubric**

Applicant: **The Exploris School**

Reviewer Name: **Jay Whalen**

## **Overview of the NC ACCESS Subgrant Program**

In 2018, the North Carolina Department of Public Instruction (NCDPI) was awarded a Public Charter Schools Program (CSP) grant from the U.S. Department of Education (USDOE) of approximately \$26,600,000. The CSP grant will be used to implement the North Carolina Advancing Charter Collaboration and Excellence for Student Success (NC ACCESS) Program to:

1. Increase the number of educationally disadvantaged students attending high quality charter schools and expand the number of high quality charter schools available to educationally disadvantaged students;
2. Develop a cohort of 100 charter school leaders who can develop and demonstrate best practices in serving educationally disadvantaged students; and
3. Broadly disseminate best practices in serving educationally disadvantaged students and foster collaboration in the charter school community and between charter schools and traditional public schools.

The NC ACCESS Program and CSP define educationally disadvantaged students as students who are economically disadvantaged, homeless or unaccompanied youth, English learners, and students with disabilities.

The NC ACCESS program has allocated the majority of the CSP funds to advance Priority 1 listed above through school-level subgrants, though subgrant recipients must also demonstrate a desire to share best practices with both charter schools and traditional public schools. For each of the five (5) years of the federal CSP award, the NC ACCESS Program will run a competitive subgrant competition and award subgrants to North Carolina charter schools that propose a comprehensive plan to increase the number of educationally disadvantaged students attending high quality charter schools and expand the number of high quality charter schools available to educationally disadvantaged students.

## **Ratings and Criteria**

The NC ACCESS Subgrant Program is a competitive application process designed to award funding for schools that propose to serve an increased number of educationally disadvantaged students. Each subgrant application will be reviewed by a team of NC ACCESS Program team members and external evaluators. All evaluations will be considered, and a recommendation will be made to the Charter School Advisory Board (CSAB). The CSAB will take all recommendations, application reviews, and due diligence into account and make a recommendation for the approval of subgrants to the State Board of Education (State Board). The State Board will determine the final approval of all subgrant awards.

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Recommendations for approval or denial will be based on the completed application which includes school information, signed assurances, enrollment projections, application narrative, budget, budget narrative, logic model, and appendices. The enrollment projections, application narrative, budget, budget

narrative, and logic model are scored out of a possible 100 points. Applicants must score at least 80 points to meet the standard.

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### **Instructions for Reviewers**

Reviewers should complete each rubric section based on the evidence provided in the application. There are eight (8) total rating sections to complete:

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  - a. If applicable, a school closure plan (no more than five (5) pages)
- V. Budget, Budget Narrative, and Logic Model (no more than five (5) pages)
- VI. Competitive Preference Standards (optional)
- VII. Priority Consideration Status
- VIII. Certification

Please note that there may be appendices to support information provided in the above sections. When evaluating an application, reviewers should both rate each section and provide comments, if applicable. Reviewers should look for responses that reflect a thorough understanding of key issues and barriers for educationally disadvantaged students. Responses should clearly align with the mission, goals, and budget of the proposed plan. Each response should include specific and accurate information that shows thorough preparation and understanding of school operations and serving educationally disadvantaged students. Reviewers should use objective language and complete sentences in their comments on the strengths and weaknesses/areas of concern of each section of the application. The comments and evidence provided are as significant as the rating. Below are examples of specific and detailed comments:

#### **Strengths of the application:**

- “The plan aligns with the overall mission and goals because...”
- “The education and discipline plans are research based and proven effective with the targeted population of students because...”
- “The lunch program is comparable to the National School Lunch Program and will support an educationally disadvantaged population by...”
- “The marketing plan clearly outlines how the school will recruit and enroll a higher educationally disadvantaged population by...”
- “The budget uses sound assumptions and is consistent with the goals of the proposed plan.”

#### **Weaknesses/areas of concern of the application:**

- “The curriculum and school calendar do not align with the mission and goals because . . .”
- “The discipline plan does not include provisions for students with disabilities.”
- “The budget assumptions include the unallowable use of funds for construction.”
- “The plan proposes two buses, but there is no accompanying line item in the budget that allocates funds for purchasing buses.”

Once all eight (8) rating sections are scored individually, the applicant should complete the summary ratings page with all final ratings and scores. In order to pass the review, applicants must (a) meet all criteria in sections (I), (II), and (VIII); and (b) score at least 80 combined points between sections (III), (IV), (V), and (VI). Section (VII) will be used to determine priority if there are more eligible applications than subgrant awards. The CSAB will make a final recommendation to the State Board on subgrant awards. The State Board will determine the final approval of all subgrant awards.

*\*Please remember that all documents, including your individual review, may at some time be available to the public.*

**Application Scoring Rubric**

**Section I – Application Contact Information**

- All applicant contact information is complete and accurate.

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		

**Section II – Assurances**

- Assurances are signed.

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		

**Section III – Enrollment Projections**

- Enrollment projections are complete, ambitious, and realistic.
- Enrollment projections demonstrate a significant increase of educationally disadvantaged students, including economically disadvantaged, homeless or unaccompanied youth, English learners, and students with disabilities.

<b>Points Possible:</b>	10	<b>Points Earned:</b>	8
<b>Overall Strengths:</b>			
<ul style="list-style-type: none"> <li>• The applicant is proposing both over student population growth and ED student population growth, including increasing the diversity of the student body.</li> </ul>			
<b>Overall Weaknesses/Areas of Concern:</b>			
<ul style="list-style-type: none"> <li>• The overall school growth does not seem to change from 680 students, this grant would just allow the school to get there faster.</li> <li>• At capacity, the school is only increasing from 25% to 32% ED students.</li> </ul>			

**Section IV – Application Narrative** (\*see subgrant application for full list of narrative questions)

- Clear rationale for how the projected enrollment figures are ambitious and feasible, including the implementation of a weighted lottery.
- Detailed description of how the educational program, school calendar, and professional development plans are specifically tailored to meet the needs of educationally disadvantaged students.
- At least three (3) school-specific SMART goals are provided to support the proposed plan.
- Clear explanation of how the charter school’s education plan compares to or differs from that of the local LEA(s).
- General Education Provision Act (GEPA) statement demonstrating how the school has or will eliminate any and all barriers to enrollment for educationally disadvantaged students.
- Clear description of the strategies the charter school currently uses or plans to use to serve educationally disadvantaged students.
- Detailed description of the roles and responsibilities of the applicant, partner organizations, and CMO/EMO, including the administrative and contractual roles and responsibilities of such partners.
- Detailed plan for how the governing board will contribute to the recruitment and development of educationally disadvantaged students.
- Clear vision for the school’s climate philosophy and a comprehensive discipline plan that supports the development of educationally disadvantaged students.
- Detailed marketing and recruiting plan is described, with an emphasis on strategies to provide outreach to the families of educationally disadvantaged students.
- Clear and comprehensive transportation and school lunch plans are provided.
- A coherent plan to implement the parent/community advisory council.
- If applicable, detailed plans for forming a Student Transition Committee and a clear and specific Student Transition Plan.

<b>Points Possible:</b>	60	<b>Points Earned:</b>	45
<b>Overall Strengths:</b>			
<ul style="list-style-type: none"> <li>• The applicant outlined clear rationales for the enrollment projections.</li> <li>• Many research-based instructional and social/emotional supports are described.</li> <li>• Special furniture is being budgeted to support students with developmental and learning disabilities.</li> <li>• The applicant plans to support their Readiness Camps and begin a tutoring program, though it was mentioned that some cost would be to pay teachers for tutoring, which is unallowable.</li> <li>• The applicant outlined specific PD focus areas including MTSS, SEL, Racial Equity, EC, and integrating technology.</li> <li>• The applicant has already translated recruitment materials into Spanish and is working on other languages.</li> </ul>			
<b>Overall Weaknesses/Areas of Concern:</b>			
<ul style="list-style-type: none"> <li>• The proposed SMART goals could use further details and measurability.</li> <li>• Though several strategies for student transportation were outlined, it is unclear what the specific plan will be to remove transportation as a barrier. Many strategies (walking, biking, carpooling, and public transit) may not be suitable for the target population, particularly younger students. Providing direct busing is all listed as supplementary options that are not finalized.</li> </ul>			

- The applicant outlined many thoughts and ideas for providing lunch, but not a comprehensive lunch program to support the needs of every ED student that enrolls.

**Section V – Budget, Budget Narrative, and Logic Model**

- Budget outlines complete, realistic, and viable costs for the duration of the grant period.
- Detailed budget narrative clearly explains reasonable, well-supported cost assumptions anticipated for the duration of the grant period, as well as a plan that demonstrates financial viability beyond the expiration of the grant period.
- All operational costs and major expenditures are accounted for and are realistic.
- There is clear alignment between the budget, budget narrative, and the proposed plan to support educationally disadvantaged students.
- Logic Model clearly demonstrates how actions and expenditures are expected to lead to specific outcomes.

<b>Points Possible:</b>	30	<b>Points Earned:</b>	25
<b>Overall Strengths:</b>			
<ul style="list-style-type: none"> <li>• The budget is overall realistic and viable.</li> <li>• Most costs are aligned with the application and are strategically focused to meet the needs of ED students.</li> </ul>			
<b>Overall Weaknesses/Areas of Concern:</b>			
<ul style="list-style-type: none"> <li>• There is money budgeted for transportation expenses like buying vans, though the application narrative did not make clear what the actual plan was.</li> <li>• The After school tutoring program has budget \$10,000 per year, but that money cannot be used to compensate teachers.</li> </ul>			

**Section VI – Competitive Preference Standards**

- The applicant may receive up to three (3) points for each competitive preference standard.
- The applicant should provide evidence in the application narrative and appendices.

<b>Opening, expanding, or replicating a school in a rural or underserved urban area (i.e. without a high-quality school within fifteen (15) miles).</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	<input type="checkbox"/>
<b>Notes (if applicable):</b>			

<b>Increasing the racial and ethnic diversity in their new, expanded, or replicated school.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	<input checked="" type="checkbox"/> 3
<b>Notes (if applicable):</b>			
<ul style="list-style-type: none"> <li>• Applicant outlines commitment to racial diversity and more closely mirroring the local LEAs demographics.</li> </ul>			

<b>The inclusion of high school (9-12) grade levels.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	<input type="checkbox"/>
<b>Notes (if applicable):</b>			

<b>Develop or manage a charter school focused on dropout recovery and academic reentry.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	<input type="checkbox"/>
<b>Notes (if applicable):</b>			

**Section VII – Priority Consideration Status**

- The applicant meets the requirements for the following priority consideration criteria:

Priority Consideration Criteria:	Criteria Met:
Currently serve a forty percent (40%) or higher economically disadvantaged population.	<input type="checkbox"/> Yes <input type="checkbox"/> No
Economically disadvantaged, English learners, and students with disabilities have proficiency rates higher than the state average for their subgroup.	<input type="checkbox"/> Yes <input type="checkbox"/> No
As evidence of participation in applicable federal programs, have Title I status.	<input type="checkbox"/> Yes <input type="checkbox"/> No
Maintained an “A” or “A+NG” SPG, as determined by the NCDPI, and met or exceeded growth, as determined by EVAAS, for three consecutive years prior to the application.	<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Priority Consideration Status Total (number of criteria met above):</b>	<b>N/A</b>

**Section VIII – Certification**

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		

**Summary**

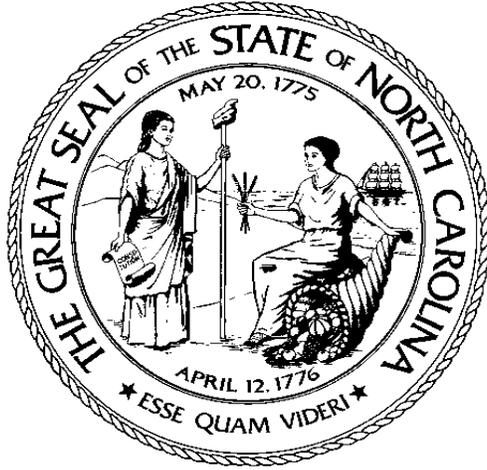
- Please complete the summary tables below with the final ratings from each section above:

General Standards	Status
Section I – Application Contact Information	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
Section II – Assurances	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
Section VIII – Certification	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
<b>Total (must meet <i>all</i> standards to pass)</b>	<input checked="" type="checkbox"/> <b>Pass</b> <input type="checkbox"/> <b>Fail</b>

Technical Standards	Points Possible	Points Earned
Section III – Enrollment Projections	10	8
Section IV – Application Narrative	60	48
Section V – Budget, Budget Narrative, and Logic Model	30	25
Section VI – Competitive Preference Standards	Up to 12	3
<b>Total (must receive at least <i>80 points</i> to pass)</b>	<b>100</b>	<b>84</b>

Priority Standards	Standards Possible	Standards Met
Section VII – Priority Consideration Status	4	N/A

Overall Application Status	Rating
In order to pass, the application must (a) achieve a rating of “Pass” for the General Standards and (b) score at least 80 points on the Technical Standards. The Priority Standards will be used to determine priority if there are more eligible applications than available awards.	<input type="checkbox"/> <b>Pass with Priority</b>
	<input checked="" type="checkbox"/> <b>Pass</b>
	<input type="checkbox"/> <b>Fail</b>



**North Carolina Advancing Charter Collaboration  
and Excellence for Student Success (NC ACCESS) Program  
Subgrant Application Rubric**

Applicant: **Exploris**

Reviewer Name: **Elaina Sabatine**

## **Overview of the NC ACCESS Subgrant Program**

In 2018, the North Carolina Department of Public Instruction (NCDPI) was awarded a Public Charter Schools Program (CSP) grant from the U.S. Department of Education (USDOE) of approximately \$26,600,000. The CSP grant will be used to implement the North Carolina Advancing Charter Collaboration and Excellence for Student Success (NC ACCESS) Program to:

1. Increase the number of educationally disadvantaged students attending high quality charter schools and expand the number of high quality charter schools available to educationally disadvantaged students;
2. Develop a cohort of 100 charter school leaders who can develop and demonstrate best practices in serving educationally disadvantaged students; and
3. Broadly disseminate best practices in serving educationally disadvantaged students and foster collaboration in the charter school community and between charter schools and traditional public schools.

The NC ACCESS Program and CSP define educationally disadvantaged students as students who are economically disadvantaged, homeless or unaccompanied youth, English learners, and students with disabilities.

The NC ACCESS program has allocated the majority of the CSP funds to advance Priority 1 listed above through school-level subgrants, though subgrant recipients must also demonstrate a desire to share best practices with both charter schools and traditional public schools. For each of the five (5) years of the federal CSP award, the NC ACCESS Program will run a competitive subgrant competition and award subgrants to North Carolina charter schools that propose a comprehensive plan to increase the number of educationally disadvantaged students attending high quality charter schools and expand the number of high quality charter schools available to educationally disadvantaged students.

## **Ratings and Criteria**

The NC ACCESS Subgrant Program is a competitive application process designed to award funding for schools that propose to serve an increased number of educationally disadvantaged students. Each subgrant application will be reviewed by a team of NC ACCESS Program team members and external evaluators. All evaluations will be considered, and a recommendation will be made to the Charter School Advisory Board (CSAB). The CSAB will take all recommendations, application reviews, and due diligence into account and make a recommendation for the approval of subgrants to the State Board of Education (State Board). The State Board will determine the final approval of all subgrant awards.

A subgrant application that merits a recommendation for approval should present a clear, realistic picture of how the school expects to successfully implement the proposed plans to increase the number of educationally disadvantaged students attending high quality charter schools and expand the number of high quality charter schools available to educationally disadvantaged students. In addition to meeting the criteria that are specific to each section, each part of the proposal should align with the overall mission, budget, and goals of the application and NC ACCESS Program.

Recommendations for approval or denial will be based on the completed application which includes school information, signed assurances, enrollment projections, application narrative, budget, budget narrative, logic model, and appendices. The enrollment projections, application narrative, budget, budget

narrative, and logic model are scored out of a possible 100 points. Applicants must score at least 80 points to meet the standard.

Applications that do not meet standard in all sections as evidenced by the summary review ratings will be deemed not ready for approval.

### **Instructions for Reviewers**

Reviewers should complete each rubric section based on the evidence provided in the application. There are eight (8) total rating sections to complete:

- I. Applicant Contact Information
- II. Signed Assurances
- III. Enrollment Projections
- IV. Application Narrative (no more than fifteen (15) pages)
  - a. If applicable, a school closure plan (no more than five (5) pages)
- V. Budget, Budget Narrative, and Logic Model (no more than five (5) pages)
- VI. Competitive Preference Standards (optional)
- VII. Priority Consideration Status
- VIII. Certification

Please note that there may be appendices to support information provided in the above sections. When evaluating an application, reviewers should both rate each section and provide comments, if applicable. Reviewers should look for responses that reflect a thorough understanding of key issues and barriers for educationally disadvantaged students. Responses should clearly align with the mission, goals, and budget of the proposed plan. Each response should include specific and accurate information that shows thorough preparation and understanding of school operations and serving educationally disadvantaged students. Reviewers should use objective language and complete sentences in their comments on the strengths and weaknesses/areas of concern of each section of the application. The comments and evidence provided are as significant as the rating. Below are examples of specific and detailed comments:

#### **Strengths of the application:**

- “The plan aligns with the overall mission and goals because...”
- “The education and discipline plans are research based and proven effective with the targeted population of students because...”
- “The lunch program is comparable to the National School Lunch Program and will support an educationally disadvantaged population by...”
- “The marketing plan clearly outlines how the school will recruit and enroll a higher educationally disadvantaged population by...”
- “The budget uses sound assumptions and is consistent with the goals of the proposed plan.”

#### **Weaknesses/areas of concern of the application:**

- “The curriculum and school calendar do not align with the mission and goals because . . .”
- “The discipline plan does not include provisions for students with disabilities.”
- “The budget assumptions include the unallowable use of funds for construction.”
- “The plan proposes two buses, but there is no accompanying line item in the budget that allocates funds for purchasing buses.”

Applicant:

Once all eight (8) rating sections are scored individually, the applicant should complete the summary ratings page with all final ratings and scores. In order to pass the review, applicants must (a) meet all criteria in sections (I), (II), and (VIII); and (b) score at least 80 combined points between sections (III), (IV), (V), and (VI). Section (VII) will be used to determine priority if there are more eligible applications than subgrant awards. The CSAB will make a final recommendation to the State Board on subgrant awards. The State Board will determine the final approval of all subgrant awards.

*\*Please remember that all documents, including your individual review, may at some time be available to the public.*

**Application Scoring Rubric**

**Section I – Application Contact Information**

- All applicant contact information is complete and accurate.

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		

**Section II – Assurances**

- Assurances are signed.

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		

**Section III – Enrollment Projections**

- Enrollment projections are complete, ambitious, and realistic.
- Enrollment projections demonstrate a significant increase of educationally disadvantaged students, including economically disadvantaged, homeless or unaccompanied youth, English learners, and students with disabilities.

<b>Points Possible:</b>	10	<b>Points Earned:</b>	10
<b>Overall Strengths:</b>			
The school already serves a significant portion of ED students - increasing 2% a year certainly seems feasible.			
<b>Overall Weaknesses/Areas of Concern:</b>			

**Section IV – Application Narrative** (*\*see subgrant application for full list of narrative questions*)

- Clear rationale for how the projected enrollment figures are ambitious and feasible, including the implementation of a weighted lottery.
- Detailed description of how the educational program, school calendar, and professional development plans are specifically tailored to meet the needs of educationally disadvantaged students.
- At least three (3) school-specific SMART goals are provided to support the proposed plan.
- Clear explanation of how the charter school’s education plan compares to or differs from that of the local LEA(s).
- General Education Provision Act (GEPA) statement demonstrating how the school has or will eliminate any and all barriers to enrollment for educationally disadvantaged students.
- Clear description of the strategies the charter school currently uses or plans to use to serve educationally disadvantaged students.
- Detailed description of the roles and responsibilities of the applicant, partner organizations, and CMO/EMO, including the administrative and contractual roles and responsibilities of such partners.
- Detailed plan for how the governing board will contribute to the recruitment and development of educationally disadvantaged students.
- Clear vision for the school’s climate philosophy and a comprehensive discipline plan that supports the development of educationally disadvantaged students.
- Detailed marketing and recruiting plan is described, with an emphasis on strategies to provide outreach to the families of educationally disadvantaged students.
- Clear and comprehensive transportation and school lunch plans are provided.
- A coherent plan to implement the parent/community advisory council.
- If applicable, detailed plans for forming a Student Transition Committee and a clear and specific Student Transition Plan.

<b>Points Possible:</b>	60	<b>Points Earned:</b>	40
<b>Overall Strengths:</b>			
Mentions gender inclusivity as part of lowering barriers.			
Academic calendar provides ample time for training.			
Description of disciplinary approach is thorough and shows attention to the experiences of ED students.			
<b>Overall Weaknesses/Areas of Concern:</b>			
SMART goals lacked specificity and measurability. Some were not timebound.			
Addresses issues of ILL in terms of barriers, but does not address many other issues of access.			
The narrative lacks coherence. Because they highlight a lot of current practices, it’s difficult to extract the core focus of how they will use these funds.			
The transportation and school lunch plans show some areas of concern, especially the school lunch plan. It’s not clear, among the strategies they’ve listed, the plan they intend to pursue or what they feel is scalable and sustainable for their school.			

**Section V – Budget, Budget Narrative, and Logic Model**

- Budget outlines complete, realistic, and viable costs for the duration of the grant period.
- Detailed budget narrative clearly explains reasonable, well-supported cost assumptions anticipated for the duration of the grant period, as well as a plan that demonstrates financial viability beyond the expiration of the grant period.
- All operational costs and major expenditures are accounted for and are realistic.
- There is clear alignment between the budget, budget narrative, and the proposed plan to support educationally disadvantaged students.
- Logic Model clearly demonstrates how actions and expenditures are expected to lead to specific outcomes.

<b>Points Possible:</b>	30	<b>Points Earned:</b>	20
<b>Overall Strengths:</b>			
There are a lot of areas within the school that this grant would support.			
<b>Overall Weaknesses/Areas of Concern:</b>			
The logic model is very vague and doesn't make a connection between the various line items in the budget and their impact on outcomes.			
Many outcomes lack enough specificity to be measurable.			

**Section VI – Competitive Preference Standards**

- The applicant may receive up to three (3) points for each competitive preference standard.
- The applicant should provide evidence in the application narrative and appendices.

<b>Opening, expanding, or replicating a school in a rural or underserved urban area (i.e. without a high-quality school within fifteen (15) miles).</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	0
<b>Notes (if applicable):</b>			

<b>Increasing the racial and ethnic diversity in their new, expanded, or replicated school.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	3
<b>Notes (if applicable):</b>			

<b>The inclusion of high school (9-12) grade levels.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	0
<b>Notes (if applicable):</b>			

<b>Develop or manage a charter school focused on dropout recovery and academic reentry.</b>			
<b>Points Possible:</b>	3	<b>Points Earned:</b>	0
<b>Notes (if applicable):</b>			

**Section VII – Priority Consideration Status**

- The applicant meets the requirements for the following priority consideration criteria:

Priority Consideration Criteria:	Criteria Met:
Currently serve a forty percent (40%) or higher economically disadvantaged population.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Economically disadvantaged, English learners, and students with disabilities have proficiency rates higher than the state average for their subgroup.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
As evidence of participation in applicable federal programs, have Title I status.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Maintained an “A” or “A+NG” SPG, as determined by the NCDPI, and met or exceeded growth, as determined by EVAAS, for three consecutive years prior to the application.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>Priority Consideration Status Total (number of criteria met above):</b>	<b>0</b>

**Section VIII – Certification**

<b>Status:</b>	Complete <input checked="" type="checkbox"/>	Incomplete <input type="checkbox"/>
<b>Notes (if applicable):</b>		

**Summary**

- Please complete the summary tables below with the final ratings from each section above:

<b>General Standards</b>	<b>Status</b>
Section I – Application Contact Information	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
Section II – Assurances	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
Section VIII – Certification	<input checked="" type="checkbox"/> Met <input type="checkbox"/> Not Met
<b>Total (must meet <i>all</i> standards to pass)</b>	<input checked="" type="checkbox"/> <b>Pass</b> <input type="checkbox"/> <b>Fail</b>

<b>Technical Standards</b>	<b>Points Possible</b>	<b>Points Earned</b>
Section III – Enrollment Projections	10	10
Section IV – Application Narrative	60	40
Section V – Budget, Budget Narrative, and Logic Model	30	20
Section VI – Competitive Preference Standards	Up to 12	3
<b>Total (must receive at least <i>80 points</i> to pass)</b>	<b>100</b>	<b>73</b>

<b>Priority Standards</b>	<b>Standards Possible</b>	<b>Standards Met</b>
Section VII – Priority Consideration Status	4	0

<b>Overall Application Status</b>	<b>Rating</b>
In order to pass, the application must (a) achieve a rating of “Pass” for the General Standards and (b) score at least 80 points on the Technical Standards. The Priority Standards will be used to determine priority if there are more eligible applications than available awards.	<input type="checkbox"/> <b>Pass with Priority</b>
	<input type="checkbox"/> <b>Pass</b>
	<input checked="" type="checkbox"/> <b>Fail</b>