

Attachment 20 – CMO Services Agreement



Consulting Agreement

This consulting agreement (the “Agreement”) is made this _____ by and between pilotED Schools of Nevada Inc (“School”) and the pilotED Foundation (“Consultant”). School and Consultant agree to the following:

Term.

The term of this Agreement will begin on _____ and end _____ or when services are delivered, whichever is later, provided there are no unreasonable delays by School.

Description of Services.

Consultant will provide implementation support, coaching, and capacity building in the areas of instructional systems, school operations, and school finance to support the school with meeting the following goals:

1. 85% of Cactus Park scholars will demonstrate proficiency on end-of-year Identity Route (IDR) assessments.
2. 75% of Cactus Park scholars will achieve or exceed growth during the Spring in Reading and Mathematics on the Northwest Evaluation Assessments as indicated in the Achievement Status and Growth Projection.
3. 85% of students will participate in a civic engagement opportunity as outlined by their grade-specific tiers.
4. 85% satisfaction rate from our quarterly Teacher-Student Rapport (TSR) climate survey of teachers and students

Goal	Aligned to SPCSA Framework, NSPF or Both?	Evaluation Tool and Frequency	Baseline	2022-23	2023-24	2024-25

ELA % proficient -- All Students and each statistically significant subgroup	Both	Annual SBAC	TBD by August 2022 based on enrolled 4th - 5th graders' prior test scores (where available)	Baseline + 3-5%; specific goals TBD by 9/1/22.	2022 + 3-5%; specific goals TBD by 9/1/23.	2023 + 3-5%; specific goals TBD by 9/1/24.
Math % proficient -- All Students and each statistically significant subgroup	Both	Annual SBAC	TBD by August 2022 based on enrolled 4th - 5th graders' prior test scores (where available)	Baseline + 3-5%; specific goals TBD by 9/1/22.	2022 + 3-5%; specific goals TBD by 9/1/23.	2023 + 3-5%; specific goals TBD by 9/1/24.
Science % proficient -- All students and each statistically significant subgroup	Both	Annual CRT	TBD by August 2022 based on pretest	N/A.	Specific goals for 5th graders TBD by 9/1/23.	Specific goals for 5th graders TBD by 9/1/24.

<p>% of students (schoolwide and in each statistically significant subgroup) achieving one grade level growth in ELA annually</p>	<p>Both</p>	<p>Annual SBCA</p>	<p>N/A</p>	<p>≥80% proficiency (schoolwide and for each subgroup); as needed, goal will be revised (for subgroups in particular) based on actual data (est. 2-3% increase)</p>	<p>≥80% (schoolwide and for each subgroup); as needed, goal will be revised (for subgroups in particular) based on actual data (est. 2-3% increase)</p>	<p>≥80% (schoolwide and for each subgroup); as needed, goal will be revised (for subgroups in particular) based on actual data (est. 2-3% increase)</p>
<p>% of students (schoolwide and in each statistically significant subgroup) achieving one grade level growth in Math annually</p>	<p>Both</p>	<p>Annual SBAC</p>	<p>N/A</p>	<p>≥80% (schoolwide and for each subgroup); as needed, goal will be revised (for subgroups in particular) based on actual data (est. 2-3% increase)</p>	<p>≥80% (schoolwide and for each subgroup); as needed, goal will be revised (for subgroups in particular) based on actual data (est. 2-3% increase)</p>	<p>≥80% (schoolwide and for each subgroup); as needed, goal will be revised (for subgroups in particular) based on actual data (est. 2-3% increase)</p>

Fees, Expenses, and Payment.

In consideration of Consultant’s performance of Services in accordance with the terms of this Agreement, School agrees to compensate Consultant \$2250,000/annually, less than 10% of a fee. Consultant will send invoices to School in order to be compensated. School shall send payment within 30 days of receiving the Consultant's invoice each month.

No Employment Relationship; No Liability for Taxes, Insurance.

Consultant and its employees acknowledge and agree that they are not employees of School. Thus, Consultant and its employees will not be entitled to any benefits of an employee of School, including without limitation the right to participate in any insurance, retirement, or other benefit plans of School. Consultant will be solely responsible for determining the means and methods for performing the Services under this Agreement. Consultant will select and will have full and complete control of and responsibility and liability for all agents, employees, and subcontractors, if any, employed or used by Consultant in the conduct of independent business generally and the performance of the Services hereunder. School will have no duty, liability, or responsibility of any kind to or for the acts or omissions of such agents, employees, or subcontractors. Consultant agrees to be fully and exclusively responsible for the payment of all state and federal taxes, contributions and similar payments attributable to this engagement hereunder, including without limitation all employment, payroll and federal and state income taxes (including declarations and payments of estimated taxes), and all contributions for unemployment insurance, old-age pensions, annuities or Social Security payments that are measured by the wages, salaries, or other remuneration paid to Consultant's agents, employees or subcontractors, if any. Consultant further agrees to comply with all legal and administrative regulations related to such taxes and contributions.

Intellectual Property.

All materials made or conceived by Consultant, either alone or jointly with others, as a result of the Services ("Project Materials") will be the property of School. School grants to Consultant a royalty-free, paid up, worldwide, perpetual, non-exclusive, non-transferable license to use Project Materials, solely for Consultant's use of Project Materials for its internal and press-related external business purposes. Consultant will retain all rights in all materials and intellectual property other than Project Materials that are developed by Consultant prior to or during the term of this Agreement ("Consultant Property").

Confidential Material.

In the performance of services, Consultant may have access to, receive and be entrusted with confidential information, including but in no way limited to information relating to data systems, grant proposals, implementation, management, evaluation, communications, and other organizational and financial information. Such data system access is for view-only purposes with no editing purposes nor privileges granted to Consultant. Such data systems include DeansList, PowerSchool, QuickBooks, interim assessment data portals (NWEA, etc), and Charter Achievement Portal. All such Confidential Material is considered secret and will be available to the Consultant in strict confidence.

Termination.

Either party may elect to terminate this Agreement at any time and for any reason by giving 15 days written notice to the other party. If this Agreement is terminated while Consultant is actually performing services hereunder, Consultant will be entitled to compensation according to the terms of this Agreement for services performed in compliance with this Agreement.

Compliance with Policies, Laws.

In the performance of services hereunder, Consultant will comply with all federal, state and local laws, policies, rules and regulations governing School and Consultant, including without limitation tax laws, non-discrimination requirements and prohibitions against harassment.

Dispute Resolution.

If a dispute arises out of or relates to this contract, or the breach thereof, the parties agree first to try in good faith to settle the dispute by mediation. If mediation does not resolve any dispute, controversy or claim arising out of or relating to this Agreement or the transactions contemplated by this Agreement, or any amendment of this Agreement, Consultant and School each agree to submit the matter to final and binding arbitration conducted in accordance with the then-current Commercial Arbitration Rules of the American Arbitration Association before a single Arbitrator. All arbitration will take place in Nevada.

Controlling Law.

This Agreement will be construed, enforced and governed in all respects by the internal laws of Nevada, without regard to choice of law principles.

Enforceability.

If any provision of this Agreement is found to be void or unenforceable by either of the parties, such finding will not render any other provision of this Agreement void or unenforceable.

Entire Agreement. This document contains the entire Agreement of the parties and supersedes all prior negotiations or agreements, whether oral or written, regarding the matters set forth herein. It may not be changed orally but only by an agreement in writing signed by both parties.

Read and Approved:

Consultant

pilotED Foundation Inc.,
an Indiana nonprofit corporation

By:

Name:

Title:

Company

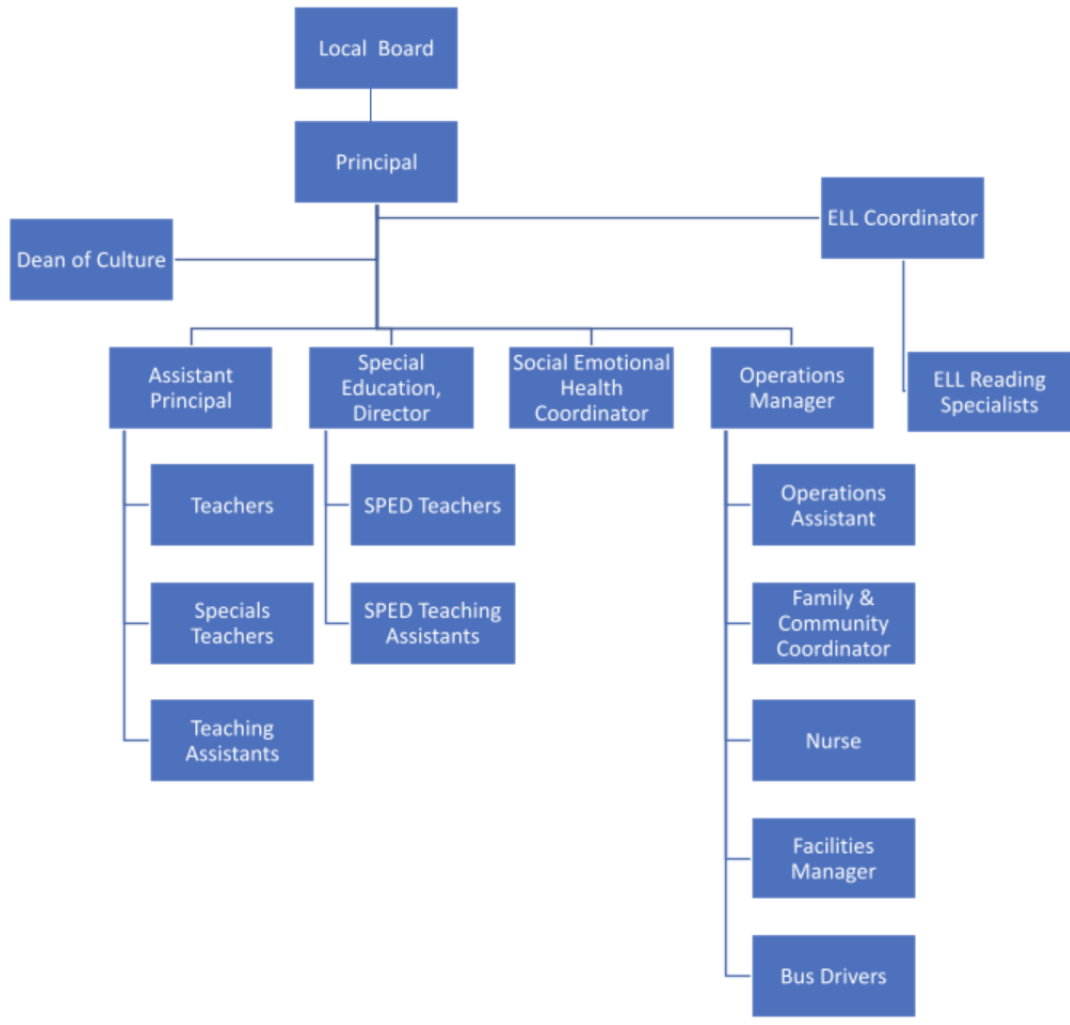
pilotED Schools of Nevada Inc.,
an Nevada nonprofit corporation

By:

Name:

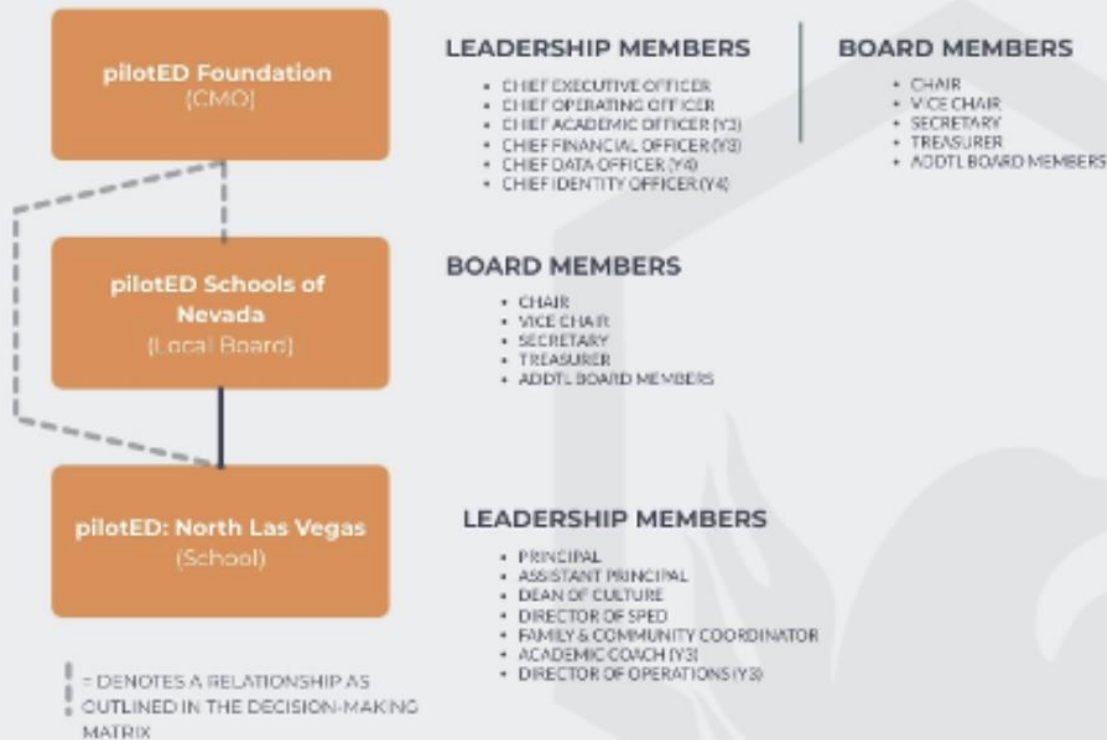
Title:

Attachment 21 - Organization charts (including both network management and schools within the network) for: • Year 1 network as a whole • Year 3 network as a whole • Year 6 network as a whole



The pilotED Foundation

CMD ORGANIZATIONAL CHART (Y1-Y6)



Attachment 22 - a) As an exhibit to the proposed management contract, a crosswalk of the academic, financial, and organizational goals of the charter school set forth in the SPCSA Charter School Performance Framework, including the school’s mission-specific goals, and a clear identification of each of the performance goals and expectations for the education management organization related to each charter school goal. This will serve as the board’s primary evaluative tool for the education management organization.

b) Documentation of the service provider’s for-profit or non-profit status and evidence that it is authorized to do business in Nevada.

Mission	Mission Outcome Measures (all and sub-groups)
<p>Mission Statement: pilotED Schools empowers the way students see themselves and the world around them through social identity development, civic engagement, and academic excellence.</p>	NWEA Attainment (combined school-wide ELA/Math avg)
	NWEA Math Growth (% achieving growth goals)
	NWEA Reading Growth (% achieving growth goals)
	SBAC Pass Rate
	SBAC Growth Measure
	Student Enrollment
	Attendance
Strategic Priorities	Strategic Priority Measures (all and sub-groups)
<p>Staff Development Model: Support masterful teaching and strategic leadership aligned to pilotED’s vision by developing strategic and intentional professional development opportunities, observation & feedback, planning and internalization, and data-driven instruction cycles.</p>	Observation and Feedback audit average (0-3 scale)
	DDI audit average (0-3 scale)
	Planning and internalization audit average (0-3 scale)
	Staff Retention
<p>Student Culture Model: Implement the restorative policies, practices, and systems needed to build classroom culture, manage student behavior, and promote positive student decision-making.</p>	# of DeansList Referrals/week
	Culture Walkthrough Average (0-3 scale)
<p>Instructional Model: Adopt and implement a shared vision of instructional excellence, implement curricular resources with fidelity, and build instructional skills/practices needed to ensure strong students achievement.</p>	Rigor Walkthrough Average (0-3 scale)
	NWEA Math Growth (% achieving growth goals)

	NWEA Reading Growth (% achieving growth goals)
	Attendance
Operational & Financial Model: Ensure the smooth application of an operational and financial model that allows for innovation, growth, and stewardship at both the school-based and organizational-wide levels.	Cash-On-Hand
	Budget vs. Actuals (% variance)
	Staff Satisfaction Rating
	Student Enrollment
	Student Retention
Identity Development & Civic Engagement Model: Develop and implement a robust identity development program	Teacher & Student Rapport Survey (TSR) Average <i>IN DEVELOPMENT</i>
	Identity Route Assessment <i>IN DEVELOPMENT</i>

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: DEC 10 2018

PILOTED SCHOOLS INC
2710 BETHEL AVE
INDIANAPOLIS, IN 46203

Employer Identification Number:
82-2446338
DLN:
17053141312008
Contact Person: DEL TRIMBLE ID# 31309
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(ii)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
July 1, 2017
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

You're not subject to the specific publishing requirements of Revenue Procedure 75-50, 1975-2 C.B., page 587, as long as you operate under a contract with the local government. If your method of operation changes to the extent that your charter is not approved, terminated, cancelled or not renewed, you should notify us. You'll also be required to comply with Revenue Procedure 75-50.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt

Letter 947

Attachment 23 -- Provide as Attachment 23 the three most recent academic performance reports from the state department of education and authorizer for all other schools affiliated with the EMO/CMO. Reports should provide all available data disaggregated by subgroup.



SCHOOL ORGANIZATIONAL
SOLUTIONS
A DIVISION OF SYNERGISTIC TRANSFORMATIONS, INC.

Evaluation of the Indianapolis Mayor Sponsored Charter Schools

pilotED Schools
2nd Year Site Visit
12/3/2019

Conducted by:
Dr. Terrence Harewood
Lucy Witte
Cheryl McLaughlin



PILOTED SCHOOLS

December 3, 2019

The Indianapolis Mayor's Office Second Year Charter Review is designed to assess the extent to which a school is meeting the standards for renewal during the second year of its charter term. The Second Year Review Protocol is based on the Mayor's *Performance Framework*, which is used to determine a school's success relative to a common set of indicators, as well as to school-based goals.

Consistent with the Indianapolis Mayor's Office Performance Framework, the following core question and sub-questions are examined to determine a school's success:

- 1. *Is the school providing the appropriate conditions for success?***
 - 4.1. *Does the school have a high-quality curriculum and supporting materials for each grade?*
 - 4.2. *Are the teaching processes (pedagogies) consistent with the school's mission?*
 - 4.3. *For secondary students, does the school provide sufficient guidance on and support and preparation for post-secondary options?*
 - 4.4. *Does the school effectively use learning standards and assessments to inform and improve instruction?*
 - 4.5. *Has the school developed adequate human resource systems and deployed its staff effectively?*
 - 4.6. *Is the school's mission clearly understood by all stakeholders?*
 - 4.7. *Is the school climate responsive to the needs of students, staff, and families?*
 - 4.8. *Is ongoing communication with students and parents clear and helpful?*
 - 4.9. *Is the school fulfilling its legal obligations related to access and services to students with special needs?*
 - 4.10. *Is the school fulfilling its legal obligations related to access and services to students with limited English proficiency?*

COMPLETION OF THE SECOND-YEAR CHARTER REVIEW

In compliance with the Mayor's Office Accountability framework, pilotED Schools engaged School Organizational Solutions (SOS), LLC to conduct the site visit in its second year of operation. The purpose is to present the school and the Mayor's Office a professional judgment on conditions and practices at the school, which are best provided through an external perspective. The Second Year Charter Review site visit uses multiple sources of evidence to understand the school's performance. Evidence collection begins before the visit with the review of key documents and continues on-site through additional document review, classroom visits and interviews with any number of stakeholders.

Findings provided by the site visit team can be used to celebrate what the school is doing well and prioritize its areas for improvement in preparation for renewal. It is the task of the site visit team to report on the following pre-identified aspects of the *Performance Framework* and to assist the Mayor's Office in its completion of the Second Year Charter Review Protocol: ***Core Question 4 and all of its sub-questions (4.1-4.10).***

Responses to Core Question 1 and all of its sub-questions (1.1-1.4), Core Question 2 and all of its sub-questions 2.1, 2.2 and 2.4 and Core Question 3 and all of its sub-questions (3.1-3.3), will be completed by the Mayor's Office.

The outcome of the Second Year Charter Review will provide the school with a written report that includes a judgment and supporting evidence on various aspects of the school, based on a rubric of indicators developed for the core question number four and its sub-questions as outlined in the Performance Framework above. The assessment system utilizes the following judgments:

Does not meet standard

Approaching standard

Meets standard

Introduction

On December 3, 2019, three external review site team members conducted the 2019 Second Year Charter Review of pilotED Schools. pilotED Schools is an independent, coeducational charter school serving students in grades K-3. The school plans to add a grade level every year and at capacity is projected to have 729 seats available for students in grades K-8, according to its charter application.

Located on the Southeast side of Indianapolis, pilotED, has a bold and audacious mission to bring social identity development front stage as an essential co-requisite to intellectual development. The school's founders firmly believe that connecting school to the students' lived experiences is vital for academic success. The social identity-based model is based on research on stereotype threat and other similar research conducted done by Claude Steele, the University of Chicago, and the NAACP.

The charter application included maximum enrollment at the school in year one at 243 and 324 by year two. The school served 79 students in 2019 and this year fell slightly short of its enrollment target with 160 students.

Even with its small size, the school has a very strong community presence and performs invaluable community service, both within and outside its walls. The school's unique curriculum and social and emotional offerings extend beyond the school barriers as parents and members of the community can take advantage of the mental health counselling, the free eggs and free produce generated by the school's small farm, or the food pantry and parent resource room which are fully stocked with clothing and food supplies.

Academically, the school is in transition after its first year, and has adopted a new goal having learned invaluable lessons from its broad-based approach to development during its first year. The school leader reported that the main priority for the 2019-20 school year is the standardization of the academic environment and consistency across classrooms. In a quest to implement this goal the school leader said all staff in the building, including support staff, have been educated regarding this main school goal and are supportive of establishing a standardized academic environment in all aspects of the pilotED School. As students from pilotED prepare to complete the state's standardized test (iREAD and iLEARN) for the first time next semester, the school leader is optimistic about the growth students are making so far this year.

This report represents an evaluation about performance in each of the standards and indicators that are the responsibility of School Organizational Solutions, LLC to evaluate for this particular school. These indicators: 4.1, 4.2,4.3, 4.4, 4.5, 4.6, 4.7, 4.8. 4.9, and 4.10 are outlined in the Mayor's Performance Framework.

About the Process

The External Site Review Team engaged in a number of evidence-gathering activities prior to and during the actual Site Team Visit. On November 26, 2019, a member of the School Organizational Solutions (SOS), LLC site team conducted classroom observations, observing four classroom teachers in four different classrooms, encompassing all grade levels, and approximately 78 students. The observer spent approximately 88 minutes recording a variety of items related to the delivery of instruction and the overall educational climate in the classroom. Data from the classroom observations were assimilated and used as evidence to answer Core Question 4 of the Performance Evaluation.

In addition, the SOS, LLC Special Education Senior Evaluator conducted a comprehensive review of the Special Education and English Language Learner (ELL) files in order to determine how well the school was fulfilling its legal and educational responsibilities. The Site Team also reviewed a binder of written evidence provided by the school in advance of the site visit and in some cases cross-referenced the data provided by the school with information filed at the Indiana Department of Education or with the Office of Education Innovation at the Mayor's Office.

The purpose of the Site Visit on December 3, 2019 was to review further documented evidence in support of Core Question 4 and its indicators, and to gauge perceptions of key stakeholders at the school in relation to the areas of the performance framework that are part of the evaluation. The site team

conducted focus group discussions with general education students, teachers, and parents; special education teachers, parents, and students; ELL teachers, parents, and students, and school administrators.

In the following report, standards and indicators are listed with relevant evidence given related to the performance criteria. A judgement of each standard is given based on the evidence collected as it relates to the rubric of the Mayor's Performance Evaluation tool. Following the discussion of each standard, a summary of strengths and areas for attention and/or recommendations, are provided for each indicator of the core question.

SUMMARY OF FINDINGS

PILOTED SCHOOLS

<i>Core Question 4: Is the school providing the appropriate conditions for success?</i>	<i>FINDING</i>
<i>4.1. Does the school have a high-quality curriculum and supporting materials for each grade?</i>	<i>Meets standard</i>
<i>4.2. Are the teaching processes (pedagogies) consistent with the school's mission?</i>	<i>Meets standard</i>
<i>4.4. Does the school effectively use learning standards and assessments to inform and improve instruction?</i>	<i>Meets standard</i>
<i>4.5. Has the school developed adequate human resource systems and deployed its staff effectively?</i>	<i>Approaching standard</i>
<i>4.6. Is the school's mission clearly understood by all stakeholders?</i>	<i>Meets standard</i>
<i>4.7. Is the school climate responsive to the needs of students, staff, and families?</i>	<i>Meets standard</i>
<i>4.8. Is ongoing communication with students and parents clear and helpful?</i>	<i>Meets standard</i>
<i>4.9. Is the school fulfilling its legal obligations related to access and services to students with special needs?</i>	<i>Meets standard</i>
<i>4.10. Is the school fulfilling its legal obligations related to access and services to students with limited English proficiency?</i>	<i>Meets standard</i>

4.1 Does the school have a high-quality curriculum and supporting materials for each grade?

Overall Judgment:
Standard: <i>Does pilotED Schools have a high-quality curriculum and supporting materials for each grade?</i>
MEETS STANDARD

Summary and Overall Judgment:

Through a review of evidence provided by pilotEd Schools, and considering information gleaned from focus group interviews with key stakeholders, as well as data collected from classroom observations, pilotED was able to demonstrate to the School Organizational Solutions site team members that the school has a high-quality curriculum and supporting materials for each grade. Thus, the site team granted a **meets standard** to Standard 4.1.

pilotED Schools uses the Engage New York Curriculum - specifically Core Knowledge in ELA instruction and Eureka Math - for all students, which encompasses grades K-3 at this time. Both Eureka Math and Core Knowledge ELA are aligned to Common Core standards. However, pilotED teachers reported in focus group interviews that the school uses correlation guides provided by the Indiana State Department of Education to ensure that the Engage NY curriculum aligns with the Indiana State academic standards. Teachers said they modify and supplement the Engage NY curriculum to ensure this alignment. During classroom observations, it was recorded that 100% of the pilotED classrooms posted the Indiana State standard that was being taught during the observation.

pilotEd provided documentation showing that the curriculum has a sequence of topics across grade levels and content areas that is consistent with the logical structure of learning the English Language and building a sound foundation for Mathematics. Site team members viewed evidence that the Core Knowledge ELA curriculum was chosen for the school because it provides strong foundational skills to support young students' reading development as they moved from learning how to read, to comprehending complex texts. Eureka Math was chosen because school personnel favored the sequence of topics across grade levels, that is consistent with the logical structure of mathematics.

Teachers reported to site team members that the pilotED curriculum is housed on a shared google doc which they utilize to access the scope and sequence and pacing guides, in order to plan what to teach and when to teach it to their students. According to school leaders, the scope and sequence of the curriculum, and the pacing guides, are reviewed at the end of each quarter to determine which standards were not covered and/or which ones were not met by a majority of the students. School leaders then adjust the pacing guide to allow for presentation of the standards not covered or to allow time to re-teach the standards not met.

External site team members reviewed an assessment and analysis protocol that listed the timing, format, and follow-up for analyzing assessment data at pilotEd in order to determine student achievement trends and gaps in learning. Teachers and the Director of Curriculum confirmed that this assessment data analysis is also utilized in forming small groups to level instruction in pilotED classrooms and to create curriculum for pilotPODS (small groups) in the classrooms, as well as to plan for re-teaching standards not met by students.

Moreover, teachers reported that they had professional development on implementing lesson plan internalization in order to use the curriculum documents and effectively deliver instruction. Site team members saw evidence of lesson plans that had been "marked up" in the evidence binder and 75% of the classrooms observed by site team members teachers were using lesson plans to guide instruction and to effectively implement instruction at pilotED.

Teachers also told site team members during focus group interviews that they had all of the materials, and more, to deliver the curriculum effectively at pilotED. Observers noted that pilotED classrooms have rich supplies of culturally responsive resources and books in all of the classrooms and one teacher told the site

team that she had never had an administrator buy books for her classroom prior to working at pilotED School.

As noted above the pilotED was adjudged a Meets on this standard.

The following is a summary of the main evidence collected for each indicator.

Indicator	Evaluation
<i>a) Does the curriculum align with state standards?</i>	Yes
Evidence	
Strengths: <ul style="list-style-type: none"> Site team members viewed evidence that pilotEd utilizes the Core Knowledge ELA curriculum for grades K-3 and Eureka Math curriculum for grades K-3, as part of the overall Engage New York curriculum. Both Eureka Math and Core Knowledge ELA are aligned to Common Core standards, however pilotEd teachers told site team members, and the director of curriculum confirmed, that the school uses correlation guides, provided by the Indiana State Department of Education to ensure that the Engage NY curriculum aligns with the Indiana state standards. Teachers modify and supplement the Engage NY curriculum to ensure this alignment. Classroom observations revealed that 100% of the PilotEd classrooms posted the Indiana state standards that were being taught during the observation. Areas of Improvement: None Noted	

Indicator	Evaluation
<i>b) Does the school conduct systematic reviews of its curriculum to identify gaps based on student performance?</i>	Yes
Evidence	
Strengths: <ul style="list-style-type: none"> The site team reviewed an assessment and analysis protocol that listed the timing, format, and follow-up for analyzing assessment data at PilotEd in order to determine student achievement trends and gaps in learning and a subsequent re-teaching plan. Teachers and the Director of Curriculum confirmed that this assessment data analysis is also utilized in forming small groups to level instruction in pilotED classrooms and to create curriculum for pilotPods in the classrooms. Areas of Improvement: None Noted	

Indicator	Evaluation
<i>C) Does the school regularly review its scope and sequences to ensure presentation of content in time for testing?</i>	Yes
Evidence	
Strengths: <ul style="list-style-type: none"> According to teachers and the Director of Curriculum, curriculum pacing guides are housed on a shared Google Drive which teachers use to determine what to teach and when to teach it. pilotED reviews the scope and sequence pacing guides at the end of each quarter to determine which standards have not been covered and to adjust the individual pacing guides to ensure coverage. Areas of Improvement: None Noted	

Indicator	Evaluation
<i>d) Does the school have a sequence of topics across grade levels and content areas that focuses on core learning objectives?</i>	Yes
Evidence	
Strengths: <ul style="list-style-type: none"> Documentation was provided to the site team showing that the Core Knowledge ELA curriculum, as well as the Eureka Math curriculum has a sequence of topics across grade levels and content areas that is consistent with the logical structure of learning the English Language and building a sound foundation for Mathematics. Evidence showed that the curriculums are focused on core learning objectives. Areas of Improvement: None Noted	

Indicator	Evaluation
<i>e) Does the staff understand and uniformly use curriculum documents and related program materials to effectively deliver instruction?</i>	Yes
Evidence	
Strengths: <ul style="list-style-type: none"> • During classroom observations site team members observed teachers using lesson plans to guide instruction. • Classroom observations also revealed that in 75% of the pilotEd classrooms instruction was observed to be strongly aligned with course objectives. • School leaders told site team members that one of the school’s goals this year is to implement Lesson Plan Internalization to ensure that teachers uniformly and consistently deliver instruction in all pilotED classrooms. Site team members observed Lesson Plan Internalization documents in the evidence folder. • Teachers said they had professional development on implementing Lesson Plan Internalization to support them in consistently knowing, understanding and delivering the instructional objectives with fidelity. Areas of Improvement: None Noted	

Indicator	Evaluation
<i>f) Does the staff have the materials to effectively deliver the curriculum?</i>	Yes
Evidence	
Strengths: <ul style="list-style-type: none"> • Teachers told site team members during focus group interviews that they had all the materials - and more - to deliver the curriculum effectively. One teacher said she found a program to supplement the curriculum and ensure the Indiana State standards were met and when she asked the school leader about it he was totally supportive. • One teacher said she had never had an admin buy books for her classroom library prior to being a teacher at pilotED. • Observers noted that pilotED classrooms have rich supplies of culturally responsive resources and books in all of the classrooms. Areas of Improvement: None Noted	

4.2. Are the teaching processes (pedagogies) consistent with the school’s mission?

Overall Judgment:
Standard: <i>Are the teaching processes (pedagogies) consistent with the pilotED Schools’ mission?</i>
MEETS STANDARD

Summary and Overall Judgment:

The mission of pilotED Schools states, in part, “...We seek to lift up our students through a model of social identity development, civic engagement, and academic excellence.” On November 26, 2019, an external site team member from School Organizational Solutions, LLC, conducted classroom observations at pilotED School, observing 78 students, 4 teachers, and spending approximately 25 minutes in each classroom. Through data collected from the classroom observations and evidence accumulated from a review of school documents, as well as information received during focus group interviews with school leaders, teachers, students, and parents, the school demonstrated that its teaching processes are consistent with the PilotEd School’s mission and **meets standard 4.2**.

During classroom observations, data collected showed that in 100% of the pilotED classrooms, mission integration was present and prominent. In fact, site team members noted many initiatives in the classrooms and the school that showed strong mission alignment, including “calming corners” that highlight relevant topics to ponder while calming down. The pilotED classrooms were also stocked with numerous books and resources that promote reflection, social emotional support, and identity development. The school decor is intentionally vibrant and colorful, rather than institutional. Chickens

and goats (and a chicken coop) inhabit the courtyard of the school and represent another emphasis on celebrating life.

As mentioned in the introduction, the standardization of the academic environment and consistency across classrooms is one of the school’s priorities for the 2019-20 school year. In support of this goal and the school’s mission, site team members observed that standards-based lessons were being taught in 100% of the pilotED classrooms and explicit objectives formed the basis for instruction in 100% of the pilotED classrooms.

A wide variety of teaching pedagogies such as whole brain learning, small group experiences, guided reading, audio-visual presentations, kinesthetic learning activities, use of manipulatives, independent practice, and use of technology were being utilized by pilotED teachers to deliver instruction at pilotED, as witnessed by the external site team members. During classroom observations, it was noted that students were encouraged to introduce themselves and share something personal that they were grateful for, emphasizing the special interests and individuality of the students. This focus on gratitude also coincided with the upcoming Thanksgiving Day, later that week.

Teachers told site team members that they use data from assessments to form small groups for leveled and differentiated instruction to meet the needs of all students, including those in their classrooms with IEP’s and 504 plans. One day a week the small groups meet in pilotPODS, with instruction differentiated to meet the needs of students in these small groups.

While classroom observations showed that 50% of the pilotED classrooms were using differentiated strategies, it might be helpful if the school could utilize the pilotPODS more often than one day a week.

Teachers were communicating high expectations for the students at pilotED in 100% of the classrooms observed and the pace of instruction was judged to be appropriate in 100% of the classrooms at pilotED. Both younger and older students, however, indicated during focus group interviews, that they thought the work at pilotED was “easy” or “not challenging” and during classroom observations challenging content was observed in only 25% of the classrooms. Data from the classroom observations also showed that learning activities in pilotEd classrooms were primarily focused on the lower two levels of Bloom’s Taxonomy (Remember, Understand, Apply). pilotED should consider professional development in Depth of Knowledge or Bloom’s Taxonomy strategies in order to inspire more rigor in the classrooms.

Teachers and school leaders confirmed, during focus group interviews, that there are numerous walk-throughs during the course of a week, by school leaders. Site team members observed a daily lesson plan internalization tracker with the pilotEd teachers’ names listed, for instructional leaders to utilize during walk-throughs in order to gauge the levels of success of lesson plan internalization among the teaching staff. The school utilizes the Charlotte Danielson Framework for Teaching in conducting two formal evaluations of the pilotED teachers per year, according to teachers. Danielson’s Framework for Teaching assesses strategies used to provide instruction, identify areas of deficiency, and praise successes.

As referenced above, the School Organizational Solutions site team awarded a meets standard to pilotED for Standard 4.2

The following is a summary of the main evidence collected for each indicator.

Indicator	Evaluation
<i>a) Is the curriculum implemented in the majority of classrooms according to its design?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> ● In 100% of the classrooms, site team members observed that mission integration was apparent, and teachers were adhering to lesson plans linked to the curriculum. ● During classroom observations, site team members noted many initiatives in the classrooms that showed strong mission alignment at pilotED, including “calming corners,” and books and resources that promote reflection, social emotional support, and identity development. <p>Areas of Improvement: None Noted</p>	
Indicator	Evaluation

<i>b) As delivered, is instruction focused on core learning objectives?</i>	Yes
Evidence	
<ul style="list-style-type: none"> • Explicit standards-based lessons were being taught in 100% of the pilotED classrooms observed by site team members and explicit objectives formed the basis for instruction in 100% of the pilotED classrooms. • According to the pilotED school leader, the standardization of the Academic Environment and consistency across classrooms is one of the school’s priorities for the 2019-20 school year. <p>Areas of Improvement:</p>	
Indicator	Evaluation
<i>c) Does the pace of instruction/lessons and content delivery possess the appropriate rigor and challenge?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> • In 100% of the classrooms observed the pace of instruction was observed to be appropriate in the pilotED classes. • Teachers communicated high expectations in 100% of the classes observed by the site team. <p>Areas of Improvement:</p> <ul style="list-style-type: none"> • During focus group interviews younger students told the site team that the work was “easy” and older students uniformly said the work at pilotED was not challenging. • Challenging content was only observed being taught in 25% of the classrooms observed and learning activities were primarily focused on the lower two levels of Bloom’s Taxonomy (remember/understand/apply). pilotEd could benefit from professional development focused on Bloom’s Taxonomy or Depth of Knowledge strategies. 	
Indicator	Evaluation
<i>d) Do the instructional activities possess variety and/or use of differentiated strategies to engage a wide range of student interests, abilities and learning needs</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> • The site team observed a variety of instructional strategies being utilized to deliver instruction, including whole brain learning, small group experiences, guided reading, use of technology and audio-visual activities, kinesthetic learning activities, use of manipulatives, and independent practice. • Some (50%) of the pilotED classrooms observed were differentiating process and/or product through learning activities. • During classroom observations, it was noted that students were encouraged to introduce themselves and share something personal that they were grateful for, emphasizing the special interests and individuality of the students. • Teachers told site team members that they use data from assessments to form small groups for leveled and differentiated instruction to meet the needs of all students, including those in their classrooms with IEP’s and 504 plans. <p>Areas of Improvement:</p> <ul style="list-style-type: none"> • With the wide range of student abilities at pilotED and the focus on individual student identity, it would be helpful in differentiating instruction if pilotED could offer the pilotPOD centers more often than one day a week. 	
Indicator	Evaluation
<i>e) Does the school supply sufficient feedback to staff on instructional practices?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> • Site team members observed evidence showing that the school uses the Charlotte Danielson Framework for formal Teaching Evaluation instrument focusing on the four domains - Planning and Preparation, Classroom Environment, Instruction, Professional Responsibilities and providing rubrics for each domain, to evaluate and provide feedback to the teachers. Teachers confirmed that they had had one formal evaluation this semester and they would have one at the end of the year. • Site team members viewed a daily lesson plan internalization tracker with the pilotEd teachers’ names listed, for instructional leaders to utilize during walk-throughs in order to gauge the levels of success of lesson plan internalization among the teaching staff. School leaders and teachers confirmed that there were multiple walk-throughs during the course of a week with feedback given either instantly through a slack message (APP) or an email. 	

4.4. Does the school effectively use learning standards and assessments to inform and improve instruction?

Overall Judgment:

Standard: *Does pilotED Schools use learning standards and assessments to inform and improve instruction?*

MEETS STANDARD

Summary and Overall Judgment:

A review of documents provided by the school, in addition to data collected through classroom observations and information obtained through stakeholder interviews, led the School Organizational Solutions external site team to a determination that pilotED effectively uses learning standards and assessments to inform and improve instruction, and as such, **meets standard 4.4.**

Through focus group interviews teachers confirmed that a variety of well-known and respected standardized assessments, as well as formative assessments from the Engage NY curriculum were used with frequency to measure students' achievement in mastering learning standards and objectives. The site team reviewed the following list of assessments utilized at pilotED, the frequency with which they are used, and the purpose of the tests:

- NWEA, a standardized reading and math assessment used for baseline and summative data, is given in the fall, winter, and spring. Data analysis from the test is used to form small groups and identify standards not met for pilotPODS.
- DIBELS, a K-2 ELA assessment with emphasis on foundational literacy and reading fluency, is given in the fall, winter, and spring, with the results being used for small group creation.
- Engage New York offers ongoing formative and summative assessments in ELA and Math, at the middle and end of each unit (module) of study. Daily exit tickets are also included in the Engage NY curriculum. Data analysis from these ongoing assessments is used to identify gaps in student learning and to prepare a reteach plan.

Students also take the ILEARN state assessment in the spring and IREAD in Grade 3. Teachers reported that they also give teacher-created quizzes and assessments in the classrooms.

Furthermore, teachers confirmed that they received assessment data results within 24 hours of an assessment being administered to students. The testing protocol document viewed by the site team showed that assessment results were analyzed by classroom teachers within 1-2 weeks of the tests being completed, in order to determine student gaps, form small groups and identify skills/standards that need to be re-taught.

Teachers and school leaders report that pilotED uses assessment results in a multitude of ways to guide and inform instruction and make any necessary changes to the curriculum. Teachers confirmed that they had had professional development on analyzing and utilizing NWEA data in order to create small leveled student groups and plan leveled pilotPOD center rotations for the upcoming week to reteach standards that were not met, to reinforce skills, and to provide accelerated enrichment for students who had achieved mastery. The school is in the early implementation phase of conducting weekly data meetings. It was reported by teachers that it is currently only happening at the first-grade level, but the director of curriculum told site team members that the goal is to implement the weekly data meetings in all grades at pilotED in the very near future. The school also has a goal of implementing benchmark assessments by next year in order to add another level of testing which could provide relevant data as a guide in re-teaching or modifying the curriculum as needed.

In addition, the school has set several key goals in the area of data-driven instruction, such as adding the benchmark assessments, expanding the weekly data meetings to all grade levels and beginning to use a data wall (viewed by the site team and currently void of data) to display an analysis of the NWEA data. However, a critical shortage in staffing is currently constraining the school in its ability to fully utilize key staff members, such as the Director of Curriculum, in order to execute critical functions related to their roles. The site team recommends that the open grade level teaching positions be filled as soon as possible, which will free up administrators (who are current substituting in some classrooms) to deliver on some of these important goals.

Overall, the site team saw much evidence that pilotED is effectively using learning standards and assessments to inform and improve instruction and granted a Meets Standard to Standard 4.4.

The following is a summary of the main evidence collected for each indicator.

Indicator	Evaluation
<i>a) Are the standardized and/or classroom assessments accurate and useful measures of established learning standards/objectives?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> The site team observed an assessment and analysis protocol listing a variety of well-known and respected standardized assessments used by pilotED to measure established state standards and core learning objectives. Teachers confirmed that a variety of standardized tests, as well as formative assessments from the Engage NY curriculum, were used regularly to measure students' achievement in mastering learning standards and objectives. <p>Areas of Improvement: None Noted</p>	
Indicator	Evaluation
<i>b) Does the school distribute assessment results to classroom teachers in a timely and useful manner to influence instructional decisions?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> The testing protocol document viewed by the site team showed that assessment results were analyzed by classroom teachers within 1-2 weeks of the tests being completed in order to determine student gaps, form small groups and identify skills/standards that need to be re-taught. Teachers said, and the director of curriculum confirmed, that assessment results were delivered to classroom teachers within 24 hours of the students taking the test. <p>Areas of Improvement: None Noted</p>	
Indicator	Evaluation
<i>c) Does the school select assessments that have sufficient variety to guide instruction for a wide range of student learning abilities?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> The Assessments and Analysis Protocol document listed standardized tests given to students, including NWEA, DIBELS, and Engage NY. In addition, students will take the ILEARN and IREAD exams this spring. The Core Knowledge ELA curriculum viewed by the site team includes formative assessments and exit tickets to check for understanding on a regular basis. It also includes summative unit exams, as does Eureka Math. <p>Areas of Improvement: None Noted</p>	
Indicator	Evaluation
<i>d) Does the school use assessments with sufficient frequency to inform instructional decisions effectively?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> NWEA is administered to students in the fall, winter, and spring; DIBELS is given to grades K-2 in the fall, winter, and spring; and the EngageNY curriculum provides on-going formative assessments 	

(mid/end of module as well as daily exit tickets) for ELA and Math. Teachers said they frequently used teacher-created assessments to inform instructional decisions regularly also.

Areas of Improvement: None Noted

Indicator	Evaluation
<i>e) Does the school use assessment results to guide instruction or make adjustments to curriculum?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> Teachers confirmed that they had had a professional development on analyzing and utilizing NWEA data and classroom evidence in order to create small leveled student groups and plan leveled pilotPOD center rotations for the upcoming week to reteach standards that were not met, to reinforce skills, and to provide enrichment for students who had achieved mastery. Documentation of an analysis of NWEA data for each pilotED student was observed by site team members. The Director of Curriculum said the school has a goal of adding benchmark assessments next year in order to add another level of testing which could provide relevant data as a guide in re-teaching or modifying the curriculum as needed. The school is in the early implementation phase of weekly data meetings. Teachers confirmed that it has mainly occurred at the first-grade level but the school hopes to continue the implementation in the other grade levels in the future. <p>Areas of Improvement:</p> <ul style="list-style-type: none"> No data walls were observed in the classrooms; however, a school-wide data wall was displayed in a conference room but was void of any data input. A critical shortage in staffing is currently constricting the school in its ability to free key staff members in order to fully execute their roles. The site team recommends that open grade level teaching positions be filled as soon as possible. 	

4.5 Has the school developed adequate human resource systems and deployed its staff effectively?

Overall Judgment:
Standard: <i>Has pilotED Schools developed adequate human resource systems and deployed its staff effectively?</i>
APPROACHING STANDARD

Summary and Overall Judgment:

The SOS, LLC site visit team determined that pilotED has a systematic hiring process that is well organized and used to support the success of new staff members. The professional development (PD) offered is related to demonstrated needs for instructional improvement for the most part and is informed by students' academic data. Furthermore, the school has a formal teacher evaluation plan in place that possesses a clear process and criteria, although there was some evidence that the plan is not fully implemented due to time constraints on the part of the Director for Curriculum and Instruction who was recently temporarily re-assigned to the classroom. Two areas of concern, however, one critical and one cautionary, resulted in the team determining that the school is **approaching standard**.

As noted, the electronic binder of evidence provided by the school included an outline of a hiring process that included a comprehensive hiring protocol. The process listed important details relative to recruitment, screening, and interviewing of potential teacher candidates. The document also included explicit details about onboarding of new staff members. The school has a relatively small teaching staff (six classroom teachers plus one special education teacher), but as the school grows, the site team recommends pilotED develops a formal teacher induction process to provide continual support and mentorship to new teachers at the school.

The school provides a number of professional development activities that are determined through analyses of student attainment and improvement. Nearly all of these activities are school-wide sessions held on site for the entire faculty. During focus group interviews, teachers mentioned that pilotED has an early release day on Wednesdays and teachers are engaged in structured professional development (PD)

every other Wednesday. The site team reviewed evidence which shows PD is tied to instructional improvement. For example, teachers recently underwent professional development on lesson plan internalization which is tied to the Engage New York curriculum.

The two aforementioned concerns raised at the school are both related to staffing. The first concern is regarding the instructional capacity. The school roster lists six teaching positions, two Kindergarten, two first grade, one second and one third grade respectively, but only four were filled. Two vacant positions are currently being temporarily filled by two of the school’s administrators. This comes at a cost to the school, however, as critical services such as curricular and coaching support for the teachers are not fully being delivered since the admins have been placed in these temporary teaching roles. While the site team lauds the creative assignment of the staff to meet a critical shortage, the site team recommends the school fills these vacant positions as soon as possible so the administrators can get back to their duties as quickly as possible.

The other area of concern addresses the status of teacher licensure at pilotED. As mentioned, of those teachers (four classroom and one Special Education teacher) working at pilotED, one is not currently licensed. Because the staff is so small, this amounts to 20% of the teachers at pilotED who have valid Indiana teacher licenses and deployed in the areas in which they are licensed to teach (indicator c). The State of Indiana stipulates that at least 90% of teachers in a given school must have a valid teaching license. Based on the analysis of data, the school does not meet the threshold for this indicator since only 80% of the current instructional staff are fully licensed. The site team, therefore, adjudged the school an approaching standard.

The following is a summary of the main evidence collected for each indicator.

Indicator	Evaluation
<i>a) Are the school’s hiring processes organized and used to support the success of new staff members?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> ● The school provided documentation of a comprehensive hiring protocol. The process listed important details relative to recruitment, screening, interviewing and onboarding of potential teacher candidates. ● Site team also reviewed, and the school leader and teachers confirmed, the onboarding process which includes a new staff orientation. ● Description of the hiring process provided by teachers during the focus group interviews, matched the information outlined in the binder of evidence. ● The school leader also said some mentoring is available to support staff in orienting to the building. <p>Areas of Improvement:</p> <ul style="list-style-type: none"> ● While the school leader described the basic structure for a mentoring program at the school, pilotED should consider some type of formal induction program in order to provide continued support and development for new staff members perhaps through their first two years. 	
Indicator	Evaluation
<i>b) Does the school deploy sufficient number of staff to maximize instruction?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> ● According to information provided pilotED has nine teaching positions for its six classrooms. ● The school also employs an Occupational Therapist, a Speech Therapist, and a Family & Community Coordinator. ● pilotED also currently has one teacher aide to support instruction. ● In response to the staffing challenge, the school has utilized its administrative staff creatively to ensure effective instruction is taking place. <p>Areas of Improvement:</p> <ul style="list-style-type: none"> ● At the time of the site visit, only four of the six classrooms were filled by full-time teachers. ● Two classrooms were currently temporarily filled by two of the school’s administrative staff. ● An EL teacher was listed among the three vacancies. ● With 33% of its listed positions vacant at the time of the site evaluation, the site team pondered whether the school has sufficient staff to maximize its instructional capacity. Because the school is heavy on administrators, who are also licensed as teachers in Indiana, the site team did not penalize 	

the school on this indicator.	
Indicator	Evaluation
<i>c) Are faculty and staff certified/trained in areas to which they are assigned?</i>	No
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> • The site team confirmed valid Indiana teacher licenses for three of four full-time teachers at pilotED. • The Special Education Teacher is also fully licensed. • The school leader reported that the one unlicensed teacher is in the process of seeking an Indiana teaching permit, although the site team could not verify this information at the time of the site visit. <p>Areas of Improvement:</p> <ul style="list-style-type: none"> • Of the five current instructional positions in the school, one teacher does not have a current Indiana teacher permit. • This amounts to 20% of the instructional staff. • The State of Indiana law stipulates that at least 90% of teachers in a given school must have a valid teaching license. • Based on the analysis of data, the school does not meet the threshold for this indicator since only 80% of the current instructional staff are fully licensed. 	
Indicator	Evaluation
<i>d) Is professional development related to demonstrated needs for instructional improvement?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> • To prepare staff members for success at the school, pilotED offers a three-day professional development retreat prior to the beginning of the school. • Teachers and staff also participate in a two-week series of professional development. • The school has an early-released day on Wednesdays and teachers are engaged in structured professional development every other Wednesday. • The site team reviewed evidence which show PD is tied to instructional improvement. For example, teachers recently underwent professional development on lesson plan internalization which is tied to the Engage New York curriculum. • Teachers also engage in short PD related to culture or academics every Tuesday morning before school. <p>Areas of Improvement: None Noted</p>	
Indicator	Evaluation
<i>e) Are professional development opportunities determined through analyses of student attainment and improvement?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> • School leader noted that decisions regarding professional development topics are based on important data related to the students. • An analysis of the NWEA Data, and trends from classroom observations inform PD activities. <p>Areas of Improvement: None Noted</p>	
Indicator	Evaluation
<i>f) Does the school explicitly and regularly implement its teacher evaluation plan with a clear process and criteria?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> • pilotED has a comprehensive teacher evaluation system that is based on the Charlotte Danielson framework. • As described, teachers are formally evaluated three times yearly (beginning, middle and at the end). • Teachers also receive a minimum of one formal observation and up to four additional classroom walkthroughs weekly. • Teachers either receive immediate feedback (Here is what I saw, and here's how it could get better), or more expansive feedback during the weekly meetings with the Director of Curriculum and Instruction. • The system is designed to support and develop teachers. 	

- The school leader noted that the system is also based on five principles of clarity: Clear expectations, (providing clear and concise information on what is expected during the observations, for example); clear capability (are parties capable and have the resources and materials they need to succeed), clear measurement (providing explicit criteria for measurement), clear feedback and clear process.
- Teachers and school leaders’ description of the plan aligned with the descriptions outlined in the written documents.
- Teachers’ retention and bonus pays are linked to their evaluations.

Areas of Improvement: None Noted

4.6. Is the school’s mission clearly understood by all stakeholders?

Overall Judgment:
Standard: <i>Is pilotED Schools’ mission clearly understood by all stakeholders?</i>
MEETS STANDARD

Summary and Overall Judgment:

One of the key strengths of pilotED Schools, Inc. is the internalization, buy-in and execution of its mission by all constituents. The bold mission of pilotED is to “empower students through a model of social identity development, civic engagement and academic excellence in order to interrupt generational poverty.” The mission is fully understood by all stakeholders, including the principal, teachers, parents, and students. The site team determined, following a comprehensive review of data, the school **meets standard**.

According to information contained in the electronic binder of evidence, the school’s mission is founded upon five pillars which are: perseverance, relationships, integrity, discipline and engagement. Classroom activities reflect the mission. The site team saw evidence of the mission being integrated in all four classrooms observed. Moreover, to promote social identity development—one of the core aspects of the pilotED mission—students at all grade levels take a specific course on identity development twice a week. The social and emotional learning curriculum for this class is based on the Sandford Harmony curriculum, which focuses on celebrating diversity, recognizing commonalities and developing empathy, among other things. Students learn the mission at the beginning of the school year, and recite the creed daily during pride meetings, and weekly during whole school assemblies.

The school also models and facilitates civic engagement through the service and outreach it provides to the community. This includes: a parent resource room with food clothing and supplies available for any family; providing mattresses and shelter support to school families who are in need, a job fair twice a year; financial literacy, resume building, and abuse-prevention workshops held at the school. In addition, the two pilotED in-house therapists provide counselling to students and families. The principal is passionate about the mission and proudly shows off the school’s vegetable garden and mini-farm (two goats, several chickens and two cats) from which produce and eggs are donated to members of the community.

Evidence shows that parents, teachers, students and other constituents clearly understand the mission, support it, and feel that the school is making progress in achieving the mission’s goals. Based on the high visibility of the mission throughout the site visit process, the SOS, LLC site visit team concluded that pilotED meets the standard in this area.

The following is a summary of the main evidence collected for each indicator.

Indicator	Evaluation
<i>a) Does the school have a mission that is shared by all stakeholders?</i>	Yes
Evidence	

Strengths:

- According to documents provided by the school, the bold mission of pilotED is to “empower students through a model of social identity development, civic engagement and academic excellence in order to interrupt generational poverty.”
- Site team concluded that the mission is internalized by its stakeholders.
- Students learn the mission at the beginning of the school year, and recite the creed daily during pride meetings, and whole school assemblies.
- The school leader noted that the mission is internalized through a focus on five pillars: perseverance, relationships, integrity, discipline and engagement.
- To facilitate identity development, the school has a specific course that is designated for all students twice per week. The content for the identity development course is based on the Sandford Harmony curriculum which focuses on celebrating diversity, recognizing commonalities and developing empathy.
- The school also models civic engagement through the service and outreach it provides to the community. This includes: a parent resource room with food clothing and supplies available for any family; providing mattresses and shelter support to school families who are in need, a job fair twice a year; financial literacy, resume building and abuse-prevention workshops. In addition, the two pilotED in-house therapists provide counselling to students and families.
- The school a vegetable garden and a mini-farm (two goats, several chickens and two cats) where produce and eggs are donated to members of the community.

Areas of Improvement: None Noted

Indicator	Evaluation
<i>b) Do stakeholders possess widespread knowledge and commitment to the intentions of the school’s mission?</i>	Yes
Evidence	
Strengths: <ul style="list-style-type: none"> • All stakeholders could recite key parts of the mission, especially academics, identity development, and civic engagement. • Students could recite the creed and state key components of the mission. • Parents loved the school’s focus on student identity. • Evidence of the commitment could be found in the level of mission integration documented by classroom observers, where aspects of the mission were recorded in 100 % of the classrooms. • Teachers reported the school’s focus and commitment is what keeps them here at the school. 	
Areas of Improvement: None Noted	

4.7 Is the school climate responsive to the needs of students, staff, and families?

Overall Judgment:
Standard: <i>Is pilotED Schools’ climate responsive to the needs of students, staff, and families?</i>
MEETS STANDARD

Summary and Overall Judgment:

During the summer of 2019, the Office of Educational Innovation (OEI), the educational arm of the Office of the Mayor of Indianapolis, made modifications to the Performance Framework, particularly as it relates to the assessment of the culture and climate of the school, which is measured under core question four. The focus of standard 4.7, was expanded from, “Is the climate conducive to student and staff success” to, “Is the school climate responsive to the needs of students, staff, and families? Consequently, all four indicators for this standard were either changed or modified substantially. This change meant that for the first time in the 2019-20 academic year, mayor-sponsored charter schools were being held to a higher standard of rigor, particularly as it relates to responding to the needs of students from culturally and linguistically diverse backgrounds. Because of the timing of the roll-out (August 2019), many schools did not have the luxury of modifying their practices or accumulating a storehouse of data to support the new indicators as they did for many of the other sub-questions in this core question.

The SOS, LLC site team was sensitive to this plight, and considered these factors in carefully evaluating

the evidence, in light of the new requirement from the mayor's office. Despite the new requirements, the site team concluded pilotED **meets standard**.

Indicator A of the revised standard addresses whether pilotED has culturally responsive instructional interventions and teaching strategies that are implemented consistently schoolwide. With its extensive focus on social identity development, the site team found that many of the pedagogical practices at pilotED were consistent with the principles of cultural responsiveness. Chief among them, pilotED has a particular identity development class that all students take twice per week. Students in kindergarten engage with this content for 30 minutes each class, whereas students in first through third grades meet for 45 minutes each class. The site team reviewed sections from the Sanford Harmony curriculum which is used for the identity development course. The Social and Emotional Learning (SEL) text explicitly focuses on culturally relevant themes such as celebrating diversity, recognizing commonalities and developing empathy.

Moreover, the site team noted pilotED offers students a plethora of opportunities to learn about themselves as well as various social identities. Classrooms were very rich with diverse posters and texts. The site team was amazed by the plethora of diverse literature that was available in the classrooms for students to read. Classroom walls were also plastered with many posters highlighting positive, affirming messages.

Although the school demonstrates a commitment to cultural responsiveness as described above, the site team only saw evidence of culturally responsive teaching in one of the four core subject classrooms (25%). Outside of the identity development class, the site team was expecting to see culturally responsive interventions embedded within the core courses. The site evaluation team recommends pilotED considers explicit professional development explicitly addressing culturally responsive instructional interventions and teaching strategies in order to make use of the wealth of curricular resources it has on hand.

Moreover, the site team saw evidence that the school is in the early stages of implementing a Multi-tiered Systems of Support (MTSS) to support behavior management in the school. The school has a color-coded, multilevel behavioral management system to promote positive behaviors. The system is well understood by students and parents. Students and teachers described the system with explicit details that aligned with the descriptions provided by the schools' Director of School Culture and the Culture Coordinator.

This site team also found that pilotED is intentional about developing strong and caring relationships among members of its community. When asked what they liked most about the school, students almost unanimously cited the relationships they had with teachers and the school leader. During classroom observations, the site team documented 10 instances of demonstrated care and respect between teachers and students. Parents lauded the school for the strong relationships the staff and admin have with their children. One parent noted, "I love the culture. Everyone knows my child's name." Moreover, teachers pointed to the high level of support and collegiality that was present throughout the school. Teachers also said the staff at pilotED is like a family. The school plans several social gatherings for staff members to meet regularly outside of school. Furthermore, the school also organizes monthly events to connect and engage with families. Some events organized by the school this year include: movies in the park, a Hispanic Heritage month cookout, a "donate and wrap" toy drive, a fright fest and trunk or treat during Halloween, and a school dance once a year.

The site team saw evidence that the school systematically examines discipline data and disaggregates it by various subgroups (race, gender, Special Education) etc. in an effort to promote greater equity. Although the site team did not observe discipline interfering with learning in any of the four classrooms, some stakeholders stated there are different levels of implementation with the schoolwide behavior plan which leads to inconsistency.

Out-of-school suspension (OSS) rates have been relatively high at this school since opening. Last year, the school suspended a total of 23 of its 79 students (29%). This year so far, the school has suspended 25 of its 160 (16%) students. pilotED should consider evaluating its use of exclusionary discipline practices.

The chart below illustrates suspension rates at pilotED since its opening.

Academic Year	Total Enrollments	Total Students Suspended	Percent of Students Suspended
2018-19	79	23	29%
2019-20 As of 12-03-19	160	25	16%

The following is a summary of the main evidence collected for each indicator.

Indicator	Evaluation
<i>a) Does the school have Culturally responsive instructional interventions and teaching strategies that are implemented consistently school-wide?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> ● pilotEd schools, Inc. is committed to supporting students in developing healthy social identities including racial, ethnic, and gender identity. ● Classrooms were print rich with several posters with positive affirming messages lining the walls. ● Classrooms were also very rich with diverse literature related to a variety of social identities including a book about the Stonewall Riots and others about LGBTQ themes. ● The school has an identity development course, where students meet twice a week for 30 (kindergarten) or 45 minutes (Grades 1—3). ● The site team saw evidence that teachers engaged in professional development during pilot Camp (a three-day Summer PD program), where the focus was on several themes related to cultural responsiveness (unconscious bias, gender bias, racial bias, etc.). ● The site team reviewed evidence that the school systematically examines discipline data and disaggregates it by various subgroups (race, gender, Special Education) etc. in an effort to promote greater equity. <p>Areas of Improvement:</p> <ul style="list-style-type: none"> ● Although the school demonstrates a commitment to cultural responsiveness, the site team only saw evidence of culturally responsive teaching in one of the four classrooms (25%). ● pilotED should consider explicit PD regarding culturally responsive instructional interventions and teaching strategies. 	
Indicator	Evaluation
<i>b) Does the school have a multi-tiered framework for teaching behavioral expectations and provides evidence-based interventions that are implemented with fidelity?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> ● The site team saw evidence that the school is in the early stages of implementing Multi-tiered Systems of Support (MTSS) to support behavior management in the school. ● pilotED has a color-coded, multilevel behavioral management system to promote positive behaviors. ● Students and teachers described the system with exact details that aligned with the descriptions provided by the schools' Director of School Culture and the Culture Coordinator. <p>Areas of Improvement:</p> <ul style="list-style-type: none"> ● Although the site team did not observe discipline interfering with learning in any of the four classrooms, some stakeholders stated there are different levels of implementation with the schoolwide behavior plan which leads to inconsistency. ● Out of school suspension rates have been relatively high at this school since opening. Last year the school suspended a total of 23 of its 79 students (29%). This year so far, the school has suspended 25 of its 160 (16%) students. pilotED should consider evaluating its use of exclusionary discipline practices. 	
Indicator	Evaluation
<i>c) Are Interactions between adults and students built upon strong, positive relationships?</i>	Yes
Evidence	

Strengths:	
<ul style="list-style-type: none"> • Students almost unanimously cite the relationships with teachers and the school leader as the number one thing they liked about the school. • Site team documented 10 instances of demonstrated care and respect between teachers and students during the classroom observations. • Parents lauded the school for the strong relationships the staff and admin have with their children. One parent noted, “I love the culture. Everyone knows my child’s name.” 	
Areas of Improvement: None Noted	
Indicator	Evaluation
<i>d) Do the Students, Staff, and Families have a strong sense of connectedness and engagement with the school?</i>	Yes
Evidence	
Strengths:	
<ul style="list-style-type: none"> • Teachers pointed to the high level of support and collegiality that was present throughout the school. • Staff described the environment as being a family. • The school plans several social gatherings for staff members to meet regularly outside of school. • The school also plans monthly events to connect and engage with families. Some events organized by the school include: movies in the park, a Hispanic Heritage month cookout, a “donate and wrap” toy drive, a fright fest and trunk or treat during Halloween, and a school dance once a year. • All stakeholders indicated feeling a strong sense of connection to the school. 	
Areas of Improvement: None Noted	

4.8. Is ongoing communication with students and parents clear and helpful?

Overall Judgment:
Standard: <i>Is ongoing communication with students and parents at PilotED Schools clear and helpful?</i>
MEETS STANDARD

Summary and Overall Judgment:

In light of consistent evidence gleaned from the electronic binder provided by the school, and interviews with various constituents, the SOS, LLC site team concluded the ongoing communication with students and parents at pilotED Schools is clear and helpful. The school was, therefore, adjudged to **meet standard 4.8.**

The site team confirmed that pilotED utilizes multiple modes of communications to connect with families. These include: phone calls, texts, emails, monthly newsletters, conversations at drop offs and pick-ups, and quarterly parent/teacher conferences. The school also has a Facebook page and families commented that they liked viewing the photos posted. Of particular note, the monthly newsletters generated by the school are informative and appreciated by the parents.

Parents also indicated they were highly satisfied with the communication from the school regarding meetings and events. The school hosts monthly community meetings with families. In addition, pilotED has an active Parent Teacher Association (PTA) that organizes monthly meetings and other school events.

Site team members observed evidence that the school uses a Portal (Dean’s List) for parents and guardians to see (in real time) their students’ daily progress as well as updated class announcements and other relevant information. Parents also learn about their children’s academic progress during quarterly parent-teacher meetings and through the report cards. The parents confirmed that they understood progress reports and grade reports.

In addition to the diverse modes of communication used by pilotED, the school translates its communication into Spanish to engage with its Spanish speaking parents and community. The site team also saw notices posted on bulletin boards in both English and Spanish. Furthermore, pilotED employs a Family Community Coordinator and a Social Work Coordinator; both of whom are fluent in Spanish.

They translate all school communication into Spanish and assist teachers with making phone calls. The Family Community Coordinator is also very active with fundraising and raised over \$54, 000 and thousands more in supplies for the school last year. The school leader boasted that she hoped to double that amount this year.

Based on the evidence, the SOS, LLC site visit team concluded that there is strong ongoing communication with students and parents that is both clear and helpful. This is one of the school’s important strengths, and, therefore, the site visit team determined that pilotED meets this standard.

The following is a summary of the main evidence collected for each indicator.

Indicator	Evaluation
<i>a) Does the school have active and ongoing communication with parents?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> ● Site team members observed evidence that the school uses a Portal (Dean’s List) for parents and guardians to see (in real time) their students’ daily progress as well as updated class announcements and other relevant information. ● The school has a multitude of communications modes it uses with pilotED families, to include: phone calls, texts, emails, monthly newsletters and conversations at drop offs and pick-ups, and quarterly parent/teacher conferences. The school also has a Facebook page and families commented that they liked viewing the photos posted. ● All school communications are translated in Spanish also. ● pilotED holds monthly Community meetings with families and ensures that they are culturally relevant. Such community activities are movie nights and an upcoming Holiday Extravaganza. ● There is an active Parent Teacher Association (PTA) that holds monthly meetings and supports many school events as well as the food pantry. <p>Areas of Improvement: None Noted</p>	
Indicator	Evaluation
<i>b) Does the school utilize communications that are both timely and relevant to parental concerns?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> ● Flyers promoting pilotED schools for student enrollment in the community were observed by site team members. ● The school employs a Family Community Coordinator and a Social Work Coordinator; both of these individuals are fluent in Spanish. They translate all school communications in Spanish and assist teachers with making phone calls. ● The school makes daily phone calls for student absences. <p>Areas of Improvement: None Noted</p>	
Indicator	Evaluation
<i>c) Does the school communicate student academic progress and achievement in reports that are understood by parents?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> ● Parents confirmed that they understood progress reports and grade cards. ● All school communications are translated in Spanish. <p>Areas of Improvement: None Noted</p>	
Indicator	Evaluation
<i>d) Are the school’s communication methods designed to meet the needs of a diverse set of parents?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> ● Site team members observed that flyers sent home to parents were translated into Spanish as well as English to meet the needs of their Hispanic population. <p>Areas of Improvement: None Noted</p>	

4.9 Do the school's special education files demonstrate that it is in legal compliance and that it is moving toward best practice?

Overall Judgment:
Standard: <i>Does pilotED Schools' special education files demonstrate that it is in legal compliance and that it is moving toward best practice?</i>
MEETS STANDARD

Summary and Overall Judgment:

At the time of the site team visit, the school leadership team at pilotED reported an enrollment of 11 students with disabilities (SWDs). This represents 7% of the total school enrollment. A comprehensive review was conducted on all of the special education files. This review provided critical information regarding general trends in the documentation and delivery of special education services for educational benefit. pilotED was found to have instituted numerous systems in compliance with state and federal mandates regarding special education. The files were well organized, and each file contained a "log-in" sheet for confidentiality purposes. The school participates in and utilizes the Indiana IEP (IIEP) which is compliant by statute and contains the components needs in the case conference process for completion of the Individual Education Plan (IEP). From the file review it was evidenced that the case conference meetings were held in a timely manner. The pilotED teacher of record (TOR) utilized an "Objective/Activity Service Log" where the annual goals were listed and remained a focus with services/activities logged with specifics, including dates and times. This site team commends this practice and lauds the schools for this clear process and best practice.

The file review evidenced the following components present:

- 91% Educational Evaluations
- 82% Notice of Case Conference
- 100% Case Conference Committee Report
- 100% Measurable Goals
- 91% Progress Reports
- 100% LRE 50 (where 80% or more of the student's time is spent in general education classes).

Based on the evidence reviewed, the site team adjudged that pilotED **meets standard** 4.9.

The following is a summary of the main evidence collected for each indicator.

Indicator	Evaluation
<i>a) Do services outlined within Individualized Education Plans (IEPs) adequately match the exceptional needs of the student?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> ● pilotED utilizes the Indiana IEP which is compliant by statute and contains the required components of the case conference process. The case conference committee identifies the needs and strengths of each student through the present levels of performance. From each identified need, a goal is written, and the goals determine the services. 100% of the case conference committee reports/IEP were evidenced in the file review. ● From the file review it was evidenced that 100% of the goals were measurable. The goals were written in the SMART format. ● All of the students with disabilities (SWDs) at pilotED had an LRE of 50, where 80% or more of the student's time is spent in general education classrooms. Access to a viable core curriculum is an excellent predictor of success. ● There are 11 SWDs at pilotED. <p>Areas of Improvement:</p>	

- From the file review it was observed that 82% of the student files had the educational evaluation. This document is essential to the student's file as it is the initial document that determines eligibility for special education services. The educational evaluation identifies the needs and strengths of each student and guides the case conference committee in creating an individual education plan. pilotED staff need to make a concerted effort to have an educational evaluation for each SWD as it provides a roadmap. The school must also always complete a Notice of Case Conference and share with the family when scheduling a case conference.

Indicator	Evaluation
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<i>b Do each of the needs identified within the IEPs have a corresponding goal and plan for assessment?</i>	Yes
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Evidence

Strengths:

- It was evidenced from the file review that the needs were identified, and the present levels of performance were rich with current data.
- Each need had a corresponding goal and the goals were written in the SMART goal format. The goals were specific and measurable. An example of such a goal is: "the student will demonstrate improved fine motor skills by composing, copying 5+ word sentences with correct shape and spacing on 80% trials."
- pilotED's teacher of record (TOR) utilizes an Objective/Activity Service Log. On the top of this log sheet are the goals that the student is working on and below the TOR documents the service provided along with the date and time. This is a commendable practice.

Areas of Improvement: None Noted

Indicator	Evaluation
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<i>c) Are the goals outlined in IEPs rigorous and based on state and national learning standards?</i>	Yes
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Evidence

Strengths:

- pilotED utilizes the Indiana IEP (IIEP) which requires each goal to be based on state and national learning standards.
- It was evidenced from the file review that 100% of the IEP goals were specific and measurable. The present levels of performance were rich with data and also used when writing goals.

Areas of Improvement: None Noted

Indicator	Evaluation
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<i>d) Does explicit evidence exist to demonstrate that goals have evolved each year as the student develops?</i>	Yes
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Evidence

Strengths:

- Due to the newness of this school, there was little historical data to note if goals evolved each year as the student develops. However, it was evidenced that the present levels of performance were rich with current data and the data changed.
- Goals were written using the present levels of performance as a source of data.

Areas of Improvement: None Noted

Indicator	Evaluation
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<i>e) Is a specifically designed curriculum outlined in each IEP?</i>	Yes
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Evidence

Strengths:

- All of the files contained the case conference committee report/IEP at pilotED.
- Each goal section of the IIEP has an area to address the "specially designed instruction." Specially designed instruction means adapting the content, methodology, or delivery of instruction to address the unique needs of the student as a result of the student's disability and ensure access to the general curriculum. Each goal reviewed addressed specially designed instruction.

Areas of Improvement: None Noted

4.10. Is the school fulfilling its legal obligation related to

access and services to students with limited English proficiency?

Overall Judgment:
Standard: <i>Is pilotED Schools fulfilling its legal obligation related to access and services to students with limited English proficiency?</i>
MEETS STANDARD

Summary and Overall Judgment:

At the time of the site team visit, the school leadership team at pilotED reported an enrollment of 12 EL (English Language) learners. A comprehensive review was conducted on all of the EL files. This review provided critical information regarding general trends in the documentation and delivery of EL services. pilotED uses the IDOE English Language Guidebook as its policies and procedures template. The school also uses the forms from the IDOE Guidebook. From the file review it was evidenced that all the required documents were observed in the students' files. pilotED employs a Family Community Coordinator who speaks Spanish along with a bilingual Social Worker. Communications to families is in English and Spanish and culturally relevant activities are scheduled at pilotED. These findings support a judgment that school **meets standard**.

The following is a summary of the main evidence collected for each indicator.

Indicator	Evaluation
<i>a) Do appropriate staff have a clear understanding of current legislation, research and effective practices relating to the provision of ESL services?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> • pilotED utilizes the IDOE English Learner Guidebook as its policies and procedures. pilotED also uses the IDOE forms, to include: home language survey, parent notification letter, WIDA results, and the Individual Language Plan (ILP). • pilotED employs an inclusive model with push-in/pull-out services. A master schedule at each grade is maintained that delineates EL services. • pilotED employs a Family Community Coordinator and a Social Work Coordinator; both of these individuals speak Spanish and are a great resource to families. A teacher assistant (TA) is used for language support in the classrooms. <p>Areas of Improvement: None Noted</p>	
Indicator	Evaluation
<i>b) Are relationships with students, parents, and external providers well-managed and comply with law and regulation?</i>	Yes
Evidence	
<p>Strengths:</p> <ul style="list-style-type: none"> • pilotED employs a Family Community Coordinator and social worker who both speak Spanish. These individuals make phone calls to families for the teachers. They also send texts to families and translate the monthly school newsletter. All school communications are translated in two languages. • There are 12 EL learners at pilotED. • The school makes a concerted effort in providing monthly community activities for its families. They have a movie night once a month from 5pm to 6:30pm. An upcoming Holiday Extravaganza is planned with culturally relevant activities inserted. <p>Areas of Improvement: None Noted</p>	

Core Question 1: Is the educational program a success?

The Academic Performance Framework, outlined in Core Question 1, gauges the academic success of schools in serving their target populations and closing the achievement gap in Indianapolis. Core Question 1 consists of seven indicators designed to measure schools on how well their students perform and grow on standardized testing measures, attendance, and school-specific measures.

Note: The Academic Performance Framework has been revised to include additional measures and to reflect changes in state accountability systems. For this reason, not all historical ratings are based on the listed indicator targets, and some historical ratings are not available.

1.1 Is the school's academic performance meeting state expectations, as measured by Indiana's accountability system?							
Indicator Targets	Does not meet standard	School has received a 'D' or 'F' for the most recent school year OR has received a 'D' for the last two consecutive years.					
	Approaching standard	School has received a 'C' for the most recent school year.					
	Meets standard	School has received a 'B' for the most recent school year.					
	Exceeds standard	School has received an 'A' for the most recent school year.					
School Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Not Evaluated						

The Indiana General Assembly directed the state to create the ILEARN exam in 2017 to replace ISTEP+ as the summative accountability test. ILEARN was administered for the first time in 2018-19 and it measures student achievement and growth according to Indiana Academic Standards with a rigorous focus on college-and- career readiness (CCR). The portion of the ILEARN assessment included in OEI accountability includes:

- English/Language Arts (ELA) (Grades 3-8)
- Mathematics (Grades 3-8)

Passing rates on ILEARN were lower than ISTEP+ passing rates in prior years, results that prompted the Indiana General Assembly to enact the [hold harmless law](#) in 2020.

The hold harmless legislation allows schools to receive their 2017-18 letter grade for the 2018-19 and 2019-20 school year **if** the grade declined because of ILEARN results. Put another way, grades for 2018-19 and 2019-20 cannot be lower than the 2017-18 grade.

However, during the 2017-18 and 2018-19 school years, Pilot Ed did not serve any tested grades to be evaluated by the Indiana Department of Education. Thus, Pilot Ed does not have a letter grade to report for the 2018-19 school year and is **Not Evaluated** on this indicator.

1.2 Are students making substantial and adequate gains over time, as measured by the Indiana Growth Model?

<i>Only applicable to schools serving students in any one of, or combination of, grades 4-8.</i>							
Indicator Targets	Does not meet standard	Results from the Indiana Growth Model indicate that less than 60.0% of students are making sufficient and adequate gains ('typical' or 'high' growth).					
	Approaching standard	Results from the Indiana Growth Model indicate that 60.0-69.9% of students are making sufficient and adequate gains ('typical' or 'high' growth).					
	Meets standard	Results from the Indiana Growth Model indicate that 70.0-79.9% of students are making sufficient and adequate gains ('typical' or 'high' growth).					
	Exceeds standard	Results from the Indiana Growth Model indicate that at least 80.0% of students are making sufficient and adequate gains ('typical' or 'high' growth).					
School Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Not Evaluated						

Each year, the Mayor's Office looks at a weighted average of students earning typical or high growth to ensure that students are making substantial and adequate gains over time. For more information on this calculation, see page 19 of the expanded criteria of the OEI performance framework.

Because the Indiana Growth Model only applies to students in grades 4-8, and PilotED did not have a cohort in grades 4-8 for the 2018-19 school year, the school is **Not Evaluated** on this indicator of the OEI Performance Framework for the 2018-19 school year.

1.3 Does the school demonstrate that students are improving, the longer they are enrolled at the school?							
Indicator Targets	Does not meet standard	Less than 60.0% of students who have been enrolled at the school 3 years demonstrate proficiency on state standardized assessments.					
	Approaching standard	At least 60.0% of students enrolled 2 years and 70.0% of students enrolled 3 years demonstrate proficiency on state standardized assessments.					
	Meets standard	At least 70.0% of students enrolled 2 years and 80.0% of students enrolled 3 years demonstrate proficiency on state standardized assessments.					
	Exceeds standard	At least 80.0% of students enrolled 2 years and 90.0% of students enrolled 3 years demonstrate proficiency on state standardized assessments.					
School Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Not Evaluated						

Many Mayor-sponsored charter schools are serving student populations from chronically low-performing schools. Recognizing this, the OEI performance framework examines student proficiency as a function of how many years' students have been enrolled at the school – allowing more time for the school to reach a high level of student proficiency on standardized assessments.

Because PilotED was in its first year of operation, the school is **Not Evaluated** on this indicator of the OEI Performance Framework for the 2018-19 school year.

1.4 Is the school providing an equitable education for students of all races and socioeconomic backgrounds?							
Indicator Targets	Does not meet standard	School has more than 15% difference in the percentage of students passing standardized assessments amongst American Indian, Black, Asian, Hispanic, White and Multiracial student groups and socioeconomic statuses.					
	Approaching standard	School has no more than 15% difference in the percentage of students passing standardized assessments amongst American Indian, Black, Asian, Hispanic, White and Multiracial student groups and socioeconomic statuses.					
	Meets standard	School has no more than 10% difference in the percentage of students passing standardized assessments amongst American Indian, Black, Asian, Hispanic, White and Multiracial student groups and socioeconomic statuses.					
	Exceeds standard	School has more than 5% difference in the percentage of students passing standardized assessments amongst American Indian, Black, Asian, Hispanic, White and Multiracial student groups and socioeconomic statuses.					
School Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Not Evaluated						

The Academic Performance Framework Indicator 1.4 was revised prior to the 2018-19 school year to shed light on whether a school is equitably serving all racial and socioeconomic achievement gaps compared to each subgroup's performance relative to peers across the state utilizing proficiency and growth data on the state assessment. This revision was also amended to include Special Education (SPED) and English Language Learners (ELL). However, in order to report on subgroup performance, a subgroup must have at least 20 students enrolled. Because PilotED did not enroll 20 students for at least 162 days in grades 3-8, OEI was unable to examine subgroup performance and the school is **Not Evaluated** on this indicator for the 2018-19 school year.

1.5 Is the school's attendance rate strong?							
Indicator Targets	Does not meet standard		School's attendance rate is less than 95.0%.				
	Meets standard		School's attendance rate is great than or equal to 95.0%.				
School Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	DNMS						

Starting at the age of 7, students in Indiana are required to attend school regularly. Habitual truancy is defined by the Indiana Department of Education as 10 or more days absent from school, meaning students are required to attend school for 95% of the 180 days in the school year.

PilotEd had an aggregate attendance rate of 87.7%, with no grade levels maintaining the 95% standard. Due to its aggregate rate, PilotEd **Does Not Meet Standard** on the OEI performance framework.

Attendance by Grade Level		
Kindergarten	83.4%	✘
1 st Grade	87.2%	✘
2 nd Grade	90.6%	✘
Overall Average	87.7%	✘



1.6 Is the school outperforming schools that the students would have been assigned to attend?							
Indicator Targets	Does not meet standard	School's overall performance in terms of proficiency and growth is lower than that of the schools the students would have been assigned to attend.					
	Approaching standard	School's overall performance in terms of proficiency and growth outpaces that of the schools the students would have been assigned to attend.					
	Meets standard	School's overall performance in terms of both proficiency and growth outpaces that of the schools the students would have been assigned to attend.					
	Exceeds standard	School's overall performance in terms of both proficiency and growth outpaces that of the schools the students would have been assigned to attend.					
School Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Not Evaluated						

The Office of Education Innovation compared the performance of Mayor-sponsored charter schools with students in grades 4-8 to that of Marion County public schools that students would have been assigned to attend based on their place of residence.

Because PilotED did not enroll students in grades 4-8, the school is **Not Evaluated** on this indicator for the 2018-19 school year.



1.7 Is the school meeting its school-specific educational goals?							
Indicator Targets	Does not meet standard		School does not meet standard on either school-specific educational goal.				
	Approaching standard		School is 1) approaching standard on one school-specific educational goal, while not meeting standard on the second goal, 2) approaching standard on both school-specific educational goals, or 3) meeting standard on one school-specific educational goal, while approaching standard on the second goal OR 4) exceeds standard on one school-specific education goal, while does not meet standard on the second goal.				
	Meets standard		School is 1) meet standard on both school-specific educational goals, or 2) meeting standard on one school-specific educational goal while exceeding standard on the second goal.				
	Exceeds standard		School is exceeding standard on both school-specific educational goals.				
School Rating	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	AS						
School-specific Information	Goal					Result	Rating
	75% of students will achieve or exceed their NWEA growth goal in Math.					58%	MS
	75% of students will achieve or exceed their NWEA growth goal in Reading.					38%	DNMS

Each year, Mayor-sponsored charter schools set two educational goals that are aligned to or support the school’s unique mission. All data for school-specific goals is self-reported by the individual school.

In 2018-19, PilotEd set its first academic goal around student achievement on the NWEA Math assessment. The school reports that 58% of students completed the requirements for the goal, and thus earned a **Meeting Standard** on its first goal.

PilotEd set its second academic goal around student achievement on the NWEA Reading assessment. The school reports that 38% of students completed the requirements for this goal, earning the school a **Does Not Meet Standard** on its second goal.

Overall, PilotEd is **Approaching Standard** on the OEI performance framework for this indicator.

School Mission Statement

The mission of pilotED Schools is to empower K-8 students in the ways in which they see themselves and the world around them through the use of a school model that embodies social-emotional identity development, a robust civic engagement system, and a rigorous culturally relevant academic curriculum. Through this model, pilotED strives to interrupt generational cycles of poverty.

Attachment 24 -- as Attachment 24, a copy of the management organization's three most recent audits and other historical financial documents for the CMO/EMO

With pilotED Foundation being in its founding year, please refer to Attachment 26 for financial history of Indianapolis entity/school.

Attachment 25 -- Provide as Attachment 25 the three most recent organizational performance reports from the state department of education and authorizer for all other schools affiliated with the EMO/CMO.

See Attachment 23 documents

Attachment 26 -- Provide three years of audited financial statements for each of the schools identified which has been in operation for more than a year as Attachment 26



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December 18, 2020

Charter School Board
pilotED Schools, Inc.
2710 Bethel Ave
Indianapolis, IN 46203

We have reviewed the audit report of pilotED Schools, Inc. which was opined upon by Donovan CPAs, Independent Public Accountants, for the period July 1, 2019 to June 30, 2020. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of pilotED Schools, Inc. as of June 30, 2020 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Donovan CPAs prepared the audit report in accordance with guidelines established by the State Board of Accounts.

In addition to the report presented herein, a Supplemental Audit Report for pilotED Schools, Inc., was prepared in accordance with the guidelines established by the State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

pilotED SCHOOLS, INC.

FINANCIAL STATEMENTS
Together with Independent Auditors' Report

For the Years Ended June 30, 2020 and 2019



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Donovan CPAs

Independent Auditors' Report

The Board of Directors
pilotED Schools, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of pilotED Schools, Inc., which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities and changes in net assets (deficit), functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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Indianapolis | 9292 N. Meridian Street, Suite 150, Indianapolis, IN 46260 | 317.844.8300

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of pilotED Schools, Inc. as of June 30, 2020 and 2019, and the changes in its net assets (deficit), functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

DONOVAN

A handwritten signature in black ink that reads "DONOVAN". The signature is written in a cursive style with a large, prominent initial "D".

Indianapolis, Indiana
December 10, 2020

pilotED SCHOOLS, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 466,485	\$ 111,775
Grants receivable	<u>20,000</u>	<u>70,000</u>
<i>Total current assets</i>	<u>486,485</u>	<u>181,775</u>
PROPERTY AND EQUIPMENT		
Building	3,058,575	3,058,575
Less: accumulated depreciation	<u>(407,810)</u>	<u>(203,905)</u>
<i>Property and equipment, net</i>	<u>2,650,765</u>	<u>2,854,670</u>
TOTAL ASSETS	<u><u>\$ 3,137,250</u></u>	<u><u>\$ 3,036,445</u></u>
LIABILITIES AND NET DEFICIT		
CURRENT LIABILITIES		
Current portion of capital lease obligation	\$ 106,613	\$ 96,089
Paycheck Protection Program note payable	185,657	-
Accounts payable and accrued expenses	11,155	8,571
Refundable advances	<u>276,885</u>	<u>321,742</u>
<i>Total current liabilities</i>	580,310	426,402
LONG-TERM LIABILITIES		
Capital lease obligation, net of current portion	<u>2,765,490</u>	<u>2,872,103</u>
<i>Total liabilities</i>	3,345,800	3,298,505
NET DEFICIT, WITHOUT DONOR RESTRICTIONS	<u>(208,550)</u>	<u>(262,060)</u>
TOTAL LIABILITIES AND NET DEFICIT	<u><u>\$ 3,137,250</u></u>	<u><u>\$ 3,036,445</u></u>

See independent auditors' report and accompanying notes to the financial statements

pilotED SCHOOLS, INC.

STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS (DEFICIT)

For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
REVENUE AND SUPPORT		
State education support	\$ 1,194,852	\$ 588,788
Grants	1,004,625	995,972
Contributions	33,462	5,984
Other	<u>2,895</u>	<u>9,324</u>
<i>Total revenue and support</i>	<u>2,235,834</u>	<u>1,600,068</u>
EXPENSES		
Program services	1,401,787	1,237,465
Management and general	<u>780,537</u>	<u>713,235</u>
<i>Total expenses</i>	<u>2,182,324</u>	<u>1,950,700</u>
CHANGE IN NET ASSETS (DEFICIT)	53,510	(350,632)
NET ASSETS (DEFICIT), BEGINNING OF YEAR	<u>(262,060)</u>	<u>88,572</u>
NET DEFICIT, END OF YEAR	<u><u>\$ (208,550)</u></u>	<u><u>\$ (262,060)</u></u>

See independent auditors' report and accompanying notes to the financial statements

pilotED SCHOOLS, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended June 30, 2020 and 2019

	<u>2020</u>			<u>2019</u>		
	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Salaries and wages	\$ 358,786	\$ 563,720	\$ 922,506	\$ 313,394	\$ 502,065	\$ 815,459
Depreciation	203,905	-	203,905	203,905	-	203,905
Equipment	158,473	8,601	167,074	73,442	7,868	81,310
Interest	160,267	309	160,576	165,748	-	165,748
Employee benefits	48,677	94,901	143,578	22,973	98,997	121,970
Professional services	81,990	53,829	135,819	64,793	35,519	100,312
Food costs	97,226	-	97,226	72,658	-	72,658
Repairs and maintenance	65,225	-	65,225	40,691	-	40,691
Occupancy	64,841	-	64,841	61,703	-	61,703
Classroom and office supplies	52,209	596	52,805	65,635	419	66,054
Staff development and recruitment	34,675	-	34,675	50,063	-	50,063
Advertising	-	34,249	34,249	-	45,837	45,837
Insurance	-	20,463	20,463	-	19,938	19,938
Travel and meetings	27,220	-	27,220	23,479	-	23,479
Information technology	21,605	-	21,605	48,486	-	48,486
Other	26,688	3,869	30,557	30,495	2,592	33,087
<i>Total functional expenses</i>	<u>\$ 1,401,787</u>	<u>\$ 780,537</u>	<u>\$ 2,182,324</u>	<u>\$ 1,237,465</u>	<u>\$ 713,235</u>	<u>\$ 1,950,700</u>

See independent auditors' report and accompanying notes to the financial statements

pilotED SCHOOLS, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
OPERATING ACTIVITIES		
Change in net assets (deficit)	\$ 53,510	\$ (350,632)
Adjustments to reconcile change in net assets (deficit) to net cash provided by (used in) operating activities:		
Depreciation	203,905	203,905
Changes in certain assets and liabilities:		
Grants receivable	50,000	(26,944)
Accounts payable and accrued expenses	2,584	(2,310)
Refundable advances	(44,857)	(3,258)
	<u>265,142</u>	<u>(179,239)</u>
<i>Net cash provided by (used in) operating activities</i>		
FINANCING ACTIVITIES		
Principal payments on capital lease obligation	(96,089)	(90,383)
Proceeds from Paycheck Protection Program note payable	185,657	-
	<u>89,568</u>	<u>(90,383)</u>
<i>Net cash provided by (used in) financing activities</i>		
NET CHANGE IN CASH	354,710	(269,622)
CASH, BEGINNING OF YEAR	<u>111,775</u>	<u>381,397</u>
CASH, END OF YEAR	<u>\$ 466,485</u>	<u>\$ 111,775</u>
SUPPLEMENTAL INFORMATION		
Cash paid for interest	\$ 160,576	\$ 165,748

See independent auditors' report and accompanying notes to the financial statements

pilotED SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended June 30, 2020 and 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General – PilotED Schools, Inc. (the "School") is a public benefit not-for-profit organization incorporated under the laws of the State of Indiana. The School commenced operations as a public charter school on July 1, 2018 under Indiana Code 20-24, and is sponsored by the Office of Education Innovation ("OEI") of the Mayor of the City of Indianapolis. The charter is effective through June 30, 2025 and is renewable thereafter by mutual consent. The School served approximately 155 students in kindergarten through third grade during the 2019-2020 school year. During the 2018-2019 school year, the School served approximately 85 students in kindergarten through second grade.

Basis of Accounting and Use of Estimates – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Financial Statement Presentation – The School reports its financial position and activities according to two classes of net assets:

- net assets without donor restrictions - which include unrestricted resources that are available for the operating objectives of the School; and
- net assets with donor restrictions - which represent resources restricted by donors for specific time or purpose.

As of June 30, 2020 and 2019, the School had only net assets without donor restrictions.

Revenue Recognition – Revenues generally come from resources provided under the Indiana Charter Schools Act. Under the Act, the School receives an amount per student in relation to the funding received by other public schools in the same geographic area. Funding from the State of Indiana is based on enrollment and paid in monthly installments in July through June coinciding with the academic school year. Revenue is recognized in the year in which educational services are rendered.

A significant portion of the School's revenue is the product of cost reimbursement grants. Accordingly, the School recognizes revenue under these grants in the amount of costs and expenses at the time they are incurred.

The School has elected to defer implementation of Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. ASU 2014-09 replaces most existing revenue recognition guidance under U.S. GAAP and requires disclosure relating to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. ASU 2014-09 was to take effect for fiscal years beginning after December 15, 2018, but in May 2020, the Financial Accounting Standards Board allowed for a one-year deferral. Management believes the implementation of ASU 2014-09 will not significantly affect how the School reports revenue.

pilotED SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended June 30, 2020 and 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Cash and Cash Equivalents – Cash consists of cash held in bank accounts and cash equivalents consist of short-term, highly liquid investments with original maturities of three months or less. There were no cash equivalents at June 30, 2020 and 2019.

Grants Receivable – Grants receivable relate primarily to activities funded under federal grants and legislation enacted by the State of Indiana. The School believes that it is operating in compliance with regulatory requirements and as such no allowance for doubtful accounts is deemed necessary.

Property and Equipment – Purchases of assets and expenditures that materially increase value or extend useful lives are capitalized and are included in the accounts at cost. Routine maintenance and repairs, minor replacement costs, and equipment purchases with a unit cost of less than \$5,000 are charged to expense as incurred.

Depreciation for the building is provided over the life of the capital lease (15 years) using the straight-line method.

Taxes on Income – The School has received a determination from the U.S. Treasury Department stating that it qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization; however, the School would be subject to tax on income unrelated to its tax-exempt purpose. For the years ended June 30, 2020 and 2019, no accounting for federal and state income taxes was required to be included in the accompanying financial statements.

Professional accounting standards require the School to recognize a tax liability only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax liability that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax liability is recorded. The School has examined this issue and has determined that there are no material contingent tax liabilities or questionable tax positions. The tax years ending after 2016 are open to audit for both federal and state purposes.

Subsequent Events – The School evaluated subsequent events through December 10, 2020, the date these financial statements were available to be issued. Events occurring through that date have been evaluated to determine whether a change in the financial statements or related disclosures would be required.

NOTE 2 - REFUNDABLE ADVANCES

The School has received multiple grants during the years ended June 30, 2020 and 2019. The grants must be spent in accordance with the submitted budgets and any funds not expended for the designated purposes must be returned. Accordingly, the revenue is recognized as approved expenditures are incurred. Refundable advances as of June 30, 2020 and 2019 represent grants received from Walton Family Foundation, Opportunity 180, and Charter School Program Quality Counts.

pilotED SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended June 30, 2020 and 2019

NOTE 3 - CAPITAL LEASE OBLIGATION

The School leases its building under a capital lease obligation maturing June 30, 2033 with two five-year renewal options. At June 30, 2020 and 2019, the accumulated depreciation of the building was \$407,810 and \$203,905, respectively.

Following is a schedule of future minimum lease payments under the capital lease for the years ending June 30 and present value of the net minimum lease payments as of June 30, 2020:

2021		\$	263,303
2022			271,202
2023			279,338
2024			287,718
2025			296,350
Thereafter			<u>2,716,144</u>
			4,114,055
Less: amount representing interest			<u>(1,241,952)</u>
		\$	<u>2,872,103</u>

NOTE 4 - PAYCHECK PROTECTION PROGRAM NOTE PAYABLE

In response to the COVID-19 pandemic, the United States federal government adopted the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act which includes the Paycheck Protection Program (“PPP”) administered through the Small Business Administration. The proceeds from the PPP notes payable can be used for costs related to payroll, employee healthcare, rent, and utilities. On April 24, 2020, the School was granted a loan from JPMorgan Chase Bank, N.A. in the amount of \$185,657, pursuant to the PPP under Division A, Title I of the CARES Act. The note matures on April 24, 2022 and bears interest at a rate of 1.00%. To the extent that the funds are used for qualifying expenses under the program during the 24-week period beginning on the date of the loan funding, the School may apply for loan forgiveness. The School has determined the PPP note payable represents a financial liability and has accounted for it in accordance with FASB ASC 470, *Simplifying the Classification of Debt*, until forgiveness is obtained. Management believes the funds will be used for qualifying expenses and will be substantially, if not fully, forgiven. Accordingly, the note payable is included as a current liability as of June 30, 2020.

pilotED SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended June 30, 2020 and 2019

NOTE 5 - COMMITMENTS

The School operates under a charter granted by OEI. As the sponsoring organization, OEI exercises certain oversight responsibilities. Beginning on July 1st before the School's fourth school year, OEI will assess a fee equal to 1% of the basic tuition support received by the School. No management fees were paid during the years ended June 30, 2020 and 2019.

The charter agreement requires the School to establish an escrow account of no less than \$30,000 should a dissolution occur. As of June 30, 2020, this account has not been established.

NOTE 6 - RETIREMENT PLANS

All employees are eligible to participate in a Section 401(k) defined contribution retirement plan sponsored by the School. Under this plan, the School may contribute a discretionary match up to 4% of compensation, not to exceed \$4,000 per employee.

Retirement plan expense under plan was \$10,987 and \$9,824 for the years ended June 30, 2020 and 2019, respectively.

NOTE 7 - RISKS AND UNCERTAINTIES

The School provides educational instruction services to families residing in Marion County in Indiana and is subject to the risks of economic and competitive forces at work within this geographic area.

The majority of revenues relate to legislation enacted by the State of Indiana and grants awarded under federal programs. Changes in state or federal legislation could significantly affect the School. Additionally, the School is subject to monitoring and audit by state and federal agencies. Those examinations may result in additional liability to be imposed on the School.

In addition, deposits maintained at JP Morgan Chase Bank, N.A. are insured up to the FDIC insurance limit of \$250,000. Funds held as of June 30, 2020 exceeded the FDIC insurance limit.

pilotED SCHOOLS, INC.
NOTES TO THE FINANCIAL STATEMENTS
For the Years Ended June 30, 2020 and 2019

NOTE 8 - LIQUIDITY

The School's financial assets include cash and grants receivable. Financial assets at June 30, 2020 and 2019 totaled \$486,485 and \$181,775, respectively, all of which were available to meet cash needs for general expenditures within a year, including expenditures covered by the Walton Family Foundation, Opportunity 180, and Charter School Program Quality Counts grants (See Note 2).

From time to time, the School receives donor restricted contributions. Because donor restrictions require resources to be used in a particular manner or in a future period, the School must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the School's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 9 - FUNCTIONAL EXPENSE REPORTING

The costs of providing the educational activities have been summarized on a functional basis in the statements of activities and change in net assets (deficit). Management of the School has categorized expenses as program services or management and general according to the underlying nature of the expense. As such, no allocation of specific transactions between these categories was required.

pilotED SCHOOLS, INC.
OTHER REPORT
For the Year Ended June 30, 2020

The reports presented herein were prepared in addition to another official report prepared for the School as listed below:

Supplemental Audit Report of pilotED Schools, Inc.

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*.



Donovan CPAs

June 25, 2020

Dear Valued Client,

Welcome to the start of another year! We are excited to work with your school this fall to complete the 2019-2020 audit. Attached is the engagement letter for the upcoming audit. Please print and sign a copy of the engagement letter and return it to your primary contact at Donovan.

As you are well aware, charter schools in Indiana are subject to increasing oversight in an effort to ensure financial propriety of federal and state funds. As your auditors, we act in partnership with your school, your authorizer, the Indiana Department of Education, and the Indiana State Board of Accounts to help meet this objective. The 2019-2020 audit will look different than past audits due primarily to new testing required by the Indiana State Board of Accounts impacting testing of student enrollment numbers, or ADM.

We have spent considerable time internally understanding the updated audit requirements and have made every effort to find efficiencies and keep your audit costs as reasonable as possible while still complying with the expanded testing requirements. The fees reflected in the attached engagement letter include the cost of the additional testing mandated by the Indiana State Board of Accounts. These additional tests impact all CPA firms conducting audits of Indiana charter schools.

We are excited to continue to serve the Indiana charter school community and will ensure the objectives of all stakeholders are met. The fee increases reflected in the attached engagement letter represent our sincere attempt to balance the needs of all parties involved, especially your school.

Please feel free to contact us with any questions or concerns you may have.

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Donovan CPAs

June 25, 2020

The Board of Directors
pilotED Schools, Inc.

Dear Board Members:

You have requested that we audit the financial statements of pilotED Schools, Inc., which comprise the statements of financial position as of June 30, 2020 and 2019 and the related statements of activities and change in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. We are pleased to confirm our acceptance and our understanding of the audit engagement by means of this letter. Our audits will be conducted with the objective of our expressing an opinion on the financial statements.

We will also prepare the Internal Revenue Service Form 990, Indiana Department of Revenue Form NP-20, and Marion County property tax Exemption Form 136 and Form 104 for pilotED Schools, Inc. for the year ended June 30, 2020.

Auditor Responsibilities

We will conduct our audits in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements.

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. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we may request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS.

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In making our risk assessments, we will consider internal controls relevant to the preparation and fair presentation of your organization's 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 your organization's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit. Our responsibility as auditors is, of course, limited to the period covered by our audit and does not extend to any other periods.

State Board of Accounts – Private Examiner Auditing and Reporting Requirements

We acknowledge the oversight responsibilities of the State Board of Accounts for the audits of charter school. We will follow the minimum audit requirements and required compliance testing as presented in the *“Guidelines for the Audit of Charter Schools Performed by Private Examiners”* and the requirements of Directive 2015-2 (a copy of which is attached).

The State Examiner will be notified immediately if there is a misappropriation of funds that is suspected to be the result of malfeasance, misfeasance, or nonfeasance discovered during the course of the private examiner's work.

The State Examiner will be notified immediately if the books and records are not in a sufficiently satisfactory condition for performing the audit or if a modified opinion is being contemplated.

The State Board of Accounts will receive a draft copy of the audit report for review at least 5 days prior to finalization of the audit report, as well as any separate communication to the entity's management, such as a management letter or governance communication letter.

The State Board of Accounts will also be provided the names, email addresses, and postal addresses of the governing board president, chief financial officer, and chief executive officer of the entity and the entity's private examiner contact.

Upon approval of the draft report and finalization of the audit report, a copy of the audit report will be provided to the State Board of Accounts in an unlocked pdf or Microsoft Word file. These files will be provided within 10 business days of the report being issued by the private examiner.

The State Board of Accounts will be notified of the date, time, and location the results of the audit will be discussed with entity officials (exit conference) at least 5 business days prior to the meeting by email.

All documentation used to support the audit report as well as any separate communication to the entity's management will be available for review by the State Board of Accounts at the State Examiner's discretion.

All correspondence will be via the following email address: charterschools@sboa.in.gov.

Management Responsibilities

As part of our engagement, we may advise you about appropriate accounting principles and their application; however, management acknowledges and understands that the final responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP remains with you. As such, management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected

misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Other management responsibilities include maintaining adequate records, selecting and applying accounting principles, and safeguarding assets.

By your signature below, you also acknowledge that you are responsible for 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. This responsibility includes having appropriate programs and controls in place to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the organization that involves management, employees who have significant roles in internal control, and others where fraud could have a material impact on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the organization received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the organization complies with applicable laws and regulations. You agree that management will confirm its understanding of its responsibilities as defined in this letter to us in a management representation letter.

You further acknowledge and understand that management is responsible for providing us with access to all information management is aware of that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters; for the accuracy and completeness of the information that is provided to us; and for informing us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements. This responsibility also includes providing us with any additional information that we may request from management for the purpose of the audit; as well as allowing us unrestricted access to individuals within the organization from whom we may determine it necessary to obtain audit evidence, including access to your designated employees who will type all confirmations we request.

Written Report

We expect to issue a written report upon completion of our audit of pilotED Schools, Inc.'s financial statements. Our report will be addressed to the Board of Directors of pilotED Schools, Inc. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add emphasis-of-matter or other-matter paragraphs, decline to express an opinion, or withdraw from the engagement.

Audit Administration and Fees

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Our fees are based on anticipated time to complete the engagement at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable on presentation.

Our fees will be as follows:

Audit of the financial statements for the year ending June 30, 2020	\$ 14,775
Preparation and filing of Forms 990 and NP-20	2,625
Preparation and filing of property tax Exemption Form 136	525
Preparation and filing of property tax Form 104	525
	<hr/>
	18,450
Less: Network of Quality Education member discount	(1,845)
	<hr/>
Total cost, less NQE member discount	<u>\$ 16,605</u>

The fees above are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. Fees assume that all documentation requested in our preliminary audit request list are complete and provided prior to the first day of audit fieldwork. If additional time is necessary due to incomplete and/or inaccurate schedules or other unexpected circumstances, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Benjamin A. Lippert, CPA is the engagement partner for the services specified in this letter. His responsibilities include supervising Donovan, P.C.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

With respect to any nonattest services we perform (such as preparing the financial statements and informational returns), pilotED Schools, Inc.'s management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Services with regard to consultation and technical assistance matters and any additional services not described in this engagement letter will be billed in addition to the costs mentioned above.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

The audit documentation for this engagement is the property of Donovan, P.C. and constitutes confidential information. However, we may be requested to make certain audit documentation available to grantor agencies, the Indiana State Board of Accounts, federal agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Donovan, P.C.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report. Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

At the conclusion of our audit engagement, we will communicate to the Board of Directors the following significant findings from the audit:

- Our view about the qualitative aspects of the entity’s significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management’s consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign where indicated and return it to us.

Respectfully,



DONOVAN

RESPONSE:

This letter correctly sets forth our understanding.

pilotED Schools, Inc.

Acknowledged and agreed on behalf of **pilotED Schools, Inc.** by:

Board of Directors Member Signature: _____

Title: _____

Date: _____



STATE OF INDIANA

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AMENDED STATE EXAMINER DIRECTIVE 2015-2

Date: April 7, 2016

Subject: Engagement of Private Examiners

Authority: Ind. Code §§ 5-11-1-7, 10, 24; Ind. Code Chs. 25-2.1-3, 4, 5; Ind. Code § 25-2.1-12-3

Application: This Directive applies to all audited entities subject to examination under Ind. Code Ch. 5-11-1.

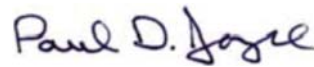
From: Paul D. Joyce, CPA, State Examiner

Indiana Code Ch. 5-11-1 contains several provisions regarding the engagement of a private examiner. First, the State Examiner may allow the engagement of a private examiner to the extent the State Examiner determines necessary to satisfy the requirements of Ind. Code Art. 5-11. Ind. Code § 5-11-1-7(b). Second, a private examiner is subject to the direction of the State Examiner while performing examinations under Ind. Code Art. 5-11. *Id.* Third, if the State Examiner authorizes the engagement of a private examiner to perform an examination under Ind. Code Art. 5-11, the examination and report must comply with the uniform compliance guidelines established by the State Board of Account under Ind. Code § 5-11-1-24(a). Ind. Code § 5-11-1-24(d). Fourth, if an audited entity subject to examination under Ind. Code Ch. 5-11-1 engages a private examiner, the contract with the private examiner must require the examination and report to comply with the uniform compliance guidelines established by the State Board of Accounts. *Id.* Finally, if proposals for performing a private examination of an audited entity are required, an entity may not request such proposals unless the request has been submitted to and approved by the State Board of Accounts first. Ind. Code § 5-11-1-24(e). In addition, uniform compliance guidelines require that contracts agreed upon between an audited entity and a private examiner be submitted to and approved by the State Board of Accounts. *See* Ind. Code § 5-11-1-24(d); *Guidelines for Audits of County and City Hospitals by Independent Certified Public Accounting Firms* at pg. 4; *Guidelines for the Audits of Charter Schools Performed by Private Examiners* at pg. 3; *Guidelines for Audit of State and Local Governments by Authorized Independent Public Accountants* at pg. 4; and *Uniform Compliance Guidelines for Examination of Entities Receiving Financial Assistance From Governmental Sources* at pg. F-1.

A private examiner engaged under Ind. Code § 5-11-1-7 must hold (1) a valid certificate for a certified public accountant (CPA) or public accountant issued or renewed under Ind. Code Chs. 25-2.1-3 or 4, and (2) a permit issued under Ind. Code Ch. 25-2.1-5 in order to provide applicable reports on financial or attested statements of an audited entity. Individuals and firms not holding a valid CPA or public accountant certificate and permit are prohibited from issuing a report conventionally used by licensees with respect to: (1) a review of financial statements and (2) a compilation of financial statements. Ind. Code § 25-2.1-12-3.

In summary, before engaging a private examiner, an audited entity must: (1) obtain the prior approval of the State Examiner, (2) submit any required requests for proposals to the State Board of Accounts for approval prior to issuing the requests, (3) ensure the contract with the private examiner requires the examination and report to comply with the uniform compliance guidelines established by the State Board of Accounts, (4) submit the agreed upon contract for approval by the State Board of Accounts, and (5) ensure that the private examiner has the required certificate and permit issued under Ind. Code Chs. 25-2.1-3, 4, and/or 5. Failure to follow the steps outlined above will prevent the accountant from being considered a private examiner engaged under Ind. Code § 5-11-1-7.

This Directive may be amended from time to time and may be rescinded at any time in writing by the State Examiner or a Deputy State Examiner.



Paul D. Joyce, CPA
State Examiner