PROJECT REFLECT, INC.
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2020

Operating Tennessee Public Charter School:
SMITHSON CRAIGHEAD ACADEMY
ELEMENTARY SCHOOL

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PROJECT REFLECT, INC.
INTRODUCTORY SECTION

BOARD OF DIRECTORS

James Cobb	Chairperson
S. Keith Hargrove	Vice-Chairperson
Father John Raphael	Treasurer
Juana Guerrero	Secretary
Robert Taylor	Director
William Hytche	Director
Patrick Johnson	Director

LEADERSHIP TEAM

Ahmed White	Executive Director
Lekita Stevenson	Senior Operations Administrator

Edmondson, Betzler & Dame
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Project Reflect, Inc.
Smithson Craighead Academy
Nashville, Tennessee

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Project Reflect, Inc., operating Tennessee Public Charter School Smithson Craighead Academy Elementary School, (the "Organization"), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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Murfreesboro Location: 1535 W. Northfield Blvd., Suite 14 Lincoln Square • Murfreesboro, Tennessee 37129 • Phone: 615-916-3100 • Fax: 615-907-3393

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Project Reflect, Inc., operating Tennessee Public Charter School Smithson Craighead Academy as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 - 10 and the schedule of the proportionate share of the net pension liability (asset) and schedule of employer contributions on pages 46 - 49 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally acceptable in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Organization's basic financial statements. The introductory section on page 1 is presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, are presented for purposes of additional analysis as required by the State of Tennessee Comptroller of the Treasury's *Audit Manual for Local Governmental Units and Other Organizations* and are not a required part of the basic financial statements.

The schedules of expenditures of federal awards and state financial assistance and changes in long-term debt by individual issue are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material resects, in relation to the basic financial statements as a whole.

Other Information (continued)

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2020, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Henderson, Betzler & Dame, PLLC

December 8, 2020

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Our discussion and analysis of Project Reflect, Inc.'s ("Project Reflect") annual financial performance provides an overview of financial activities for the fiscal year ended June 30, 2020. Project Reflect operates Tennessee Public Charter School Smithson Craighead Academy ("SCA" and collectively the "Organization"). This section should be read in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resource of Project Reflect exceeded its liabilities and deferred inflows of resources by $1,054,297.
- Net position decreased $54,423 during the year.
- Total revenues of $2,793,949 were comprised of Federal and State Pass-through Funds- 15%, District Funds- 78%, and Charitable Giving/Other- 7%.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of a series of financial statements, notes to those statements and supplementary information. The statements are organized so that the reader can understand Project Reflect as a whole and then proceed to a detailed look at specific financial activities of Project Reflect.

REPORTING THE SCHOOL AS A WHOLE

The Statement of Net Position and Statement of Activities:

In general, users of these financial statements want to know if the Organization is better off or worse off as a result of the year's activities. The Statement of Net Position and Statement of Activities report information about the Organization as a whole and about activities in a manner that helps to answer that question. These statements include all assets and liabilities using the accrual basis of accounting. Under the accrual basis, all of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid. The statements start on page 11.

The Statement of Net Position reports the Organization's net position (total assets and deferred outflows of resources less total liabilities and deferred inflows of resources). Private sector entities would report retained earnings. The Organization's net position balance at year-end represents available resources for future growth. The Statement of Activities reports the change in net position as a result of activity during the year. Private sector entities have a similar report titled statement of operations, which reports net income. It provides the user a tool to assist in determining the direction of the Organization's financial health during the year. Users will want to consider non-financial factors as well as the financial data in arriving at a conclusion regarding the overall health of the Organization.

REPORTING THE SCHOOL'S FUNDS

Fund Financial Statements:

The Organization's fund financial statements, the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances, begin on page 13. They provide detailed information about the Organization's most significant funds not the Organization as a whole. Funds are established by the Organization to help manage money for particular purposes and compliance with various grant provisions.

The Organization's funds are categorized as "governmental funds." Governmental funds focus on how money flows into and out of the funds and the balances left at year-end that are available for spending in future periods. Fund financial statements are reported using an accounting method called "modified accrual" accounting, which measures cash and other financial assets that can readily be converted to cash. This basis of accounting is different from the accrual basis used in government-wide financial statements to report on the Organization as a whole. The relationship between governmental activities, as reported in the Statement of Net Position and the Statement of Activities, and governmental funds as reported in the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances as reconciled in the basic financial statements on pages 15 and 16.

GOVERNMENT WIDE FINANCIAL ANALYSIS

Net Position:

The Organization's assets and deferred outflows of resources exceed liabilities and deferred inflows of resources at the close of the fiscal year, resulting in a net position of $1,054,297. Project Reflect's net position includes $435,590 of cash. The cash is available to meet ongoing activities.

As of June 30, 2020, Project Reflect had invested $1,676,282 in capital assets. This investment includes building and improvements for instructional purposes, instructional and support furniture, instructional computers for teachers and students, maintenance equipment and vehicles for transportation of students. Additional information on property and equipment is located in the notes to the financial statements.

The Organization has debt in the amount of $1,096,235. This debt was used to consolidate other operating debt.

GOVERNMENT WIDE FINANCIAL ANALYSIS (CONTINUED)

A schedule of the Organization's net position as of June 30, 2020 and 2019 is as follows:

	2020	2019
Current assets	$ 588,725	$ 154,047
Restricted assets	12,541	-
Capital assets	1,676,282	1,775,757
Noncurrent assets	165,314	52,587
Total assets	2,442,862	1,982,391
Deferred outflows of resources - pensions	220,008	239,701
Current liabilities	268,861	93,459
Long-term liabilities	1,109,560	832,316
Total liabilities	1,378,421	925,775
Deferred inflows of resources - pensions	230,152	187,597
Net position:		
Net investment in capital assets	915,924	993,338
Restricted	12,541	-
Unrestricted	125,832	115,382
Total net position	$1,054,297	$1,108,720

At June 30, 2020, the Organization's unrestricted net position was $125,832, an increase of $10,450 from 2019.

GOVERNMENT WIDE FINANCIAL ANALYSIS (CONTINUED)

A schedule of revenues and expenses for the years ended June 30, 2020 and 2019, is as follows. The schedule is for the Organization as a whole, not for the governmental funds.

	2020	2019
Revenues:		
District funding	$2,167,096	$1,964,652
Federal and state grants	419,587	336,287
Contributions	97,955	88,462
Program income	46,767	-
Contract fees	45,867	-
Other	16,677	17,664
Total revenues and transfers	2,793,949	2,407,065
Expenses:		
Employee compensation	1,853,701	1,542,586
Food services	217,985	191,339
Transportation	177,628	192,190
Occupancy	145,277	119,967
Depreciation	138,447	142,586
Professional services	104,414	107,962
Instructional	82,242	63,087
Insurance	46,732	35,356
Interest	43,270	54,185
Office expense	29,877	33,649
Other expenses	8,079	55,010
Organizational development	720	9,233
Total expenses	2,848,372	2,547,150
Change in net position	$ (54,423)	$ (140,085)

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

The Organization's funds, as presented on the balance sheet on page 13 reported a combined fund balance of $485,430. The majority of funds are in the General Fund, which is the chief operating fund. The Organization has one other major fund consisting of the Federal and State Grants Fund.

Due to different basis of accounting there is a difference between the amounts reported under the funds and the amounts reported as government wide. For the June 30, 2020 year end, the differences consist of capital assets, debt, and pensions, which are not reported in the funds.

SCHOOL ACTIVITIES

Smithson Craighead Academy, the 1st Charter School established in Middle Tennessee, continues to educate students in Kindergarten through 4th grade. We seek to provide quality education in a safe and loving environment. We strive to empower our students with the social and emotional skills needed to transform the world in which we live. We believe exposure to a wide variety of experiences will prove beneficial throughout each child's academic, social, and emotional life.

In the 2019-2020 school year, Smithson Craighead Academy continued to show tremendous growth academically, and our students improved one or more grade levels using iReady. Project Reflect also continued to successfully grow our Pre-K program to serve three and four-year-old scholars. We believe this is continues to be a tremendous opportunity for our community as our students will be better prepared for school. Due to the tireless work of our team, we were granted a LEAPs grant to enhance our afterschool Project Reflect Educational Programs (PREP). This grant affords us the opportunity to increase accessibility to high-quality instruction. We hope to extend the program into the summer months. We restructured our clubs to fall under the PREP program. We continue to offer Girls on the run, Girl Scouts, Cub Scouts, STEM Scouts, Art Club, Sign Language Club and Mid-Town Music Academy. We have added Kung Fu and Stain Glass making to our after-school offerings.

We were able to move to a virtual education program once schools shut down due to COVID-19. In addition to making sure our scholars were still receiving high quality instruction, our organization in partnership with Second Harvest, was able to make sure our families received food throughout the summer and into the new school year. Our school also dedicated a week to help families impacted by the tornado that destroyed much of North Nashville.

Project Reflect / Smithson Craighead Academy is building community partnerships through volunteerism and facility usage. These relationships with our partners increase our ability to move the mission and vision of the organization. In addition, facility usage generates income through the rental fees. The overall goal is to serve as the hub for the Greater Nashville Area with an emphasis in Madison.

Additional goals for the 2020-2021 school year includes but are not limited to:

- Increase participation for PTO
- Guarantee all students have one-to-one devices
- Implement Sown2Grow for social emotional support

The Project Reflect Board of Directors added new board members and they will continue to expand. The board is on one accord and are focused on the theme of "One SCA". Both the Corporate Board and Board of Directors have come alongside the Leadership team to make sure all students can learn and grow no matter the obstacles they may face.

CONTACTING THE ACADEMY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our students' parents, Davidson County taxpayers, donors, creditors, authorities over grant funding and agencies tasked with oversight of Nashville and Davidson County public schools with a general overview of the SCA's finances and to demonstrate SCA's accountability of the money it receives. If you have questions about this report or need additional financial information, contact SCA's Principal and Administrator, Ahmed White at 730 Neely's Bend Road, Nashville, TN 37115, by telephone at (615) 228-9886 or by email: ahmed.white@scanashville.org.

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
STATEMENT OF NET POSITION
JUNE 30, 2020

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	Governmental Activities
Assets:	
Cash and cash equivalents	$ 435,590
Receivables	148,078
Prepaid expenses	5,057
Net pension asset	165,314
Restricted asset - TCRS Stabilization Reserve Trust	12,541
Capital assets, net	1,676,282
Total assets	2,442,862
Deferred outflows of resources:	
Net deferred outflows of resources related to pensions	220,008
Total assets and deferred outflows of resources	$ 2,662,870

LIABILITIES, DEFERRED INFLOWS OF RESOURES AND NET POSITION

Liabilities:	
Accounts payable and accrued expenses	$ 115,836
Long-term debt, payable within one year	153,025
Long-term debt, payable in more than one year	943,210
Net pension liability	166,350
Total liabilities	1,378,421
Deferred inflows of resources:	
Net deferred inflows of resources related to pensions	230,152
Net position:	
Net investment in capital assets	915,924
Restricted	12,541
Unrestricted	125,832
Total net position	1,054,297
Total liabilities, deferred inflows of resources and net position	$ 2,662,870

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

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

GOVERNMENTAL ACTIVITIES:	Total	Functions: Student Instruction and Services	Functions: Administration	Functions: Fundraising
EXPENSES:				
Instructional	$ 82,242	$ 82,242	$ -	$ -
Occupancy	145,277	124,938	14,528	5,811
Office	29,877	11,951	10,457	7,469
Other	8,079	7,616	463	-
Organizational development	720	720	-	-
Professional services and fees	104,414	-	104,414	-
Employee compensation	1,853,701	1,594,183	185,370	74,148
Food services	217,985	217,985	-	-
Insurance	46,732	40,190	4,673	1,869
Interest	43,270	38,943	4,327	-
Transportation	177,628	177,628	-	-
Depreciation	138,447	124,602	13,845	-
Total expenses	2,848,372	2,420,998	338,077	89,297
PROGRAM REVENUES:				
Operating grants and contributions	383,587	383,587	-	-
Program income	46,767	46,767	-	-
Contract fees	45,867	45,867	-	-
Capital grants and contributions	36,000	36,000	-	-
Net program expenses	2,336,151	$ 1,908,777	$ 338,077	$ 89,297
GENERAL REVENUES				
District funding	2,167,096			
Contributions	97,955			
Other income	16,677			
Total general revenues	2,281,728			
CHANGE IN NET POSITION	(54,423)			
NET POSITION, June 30, 2019	1,108,720			
NET POSITION, June 30, 2020	$1,054,297			

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

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General Purpose School Fund	Federal and State Grants Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 435,590	$ -	$ 435,590
Receivables	94,574	53,504	148,078
Prepaid expenses	5,057	-	5,057
Restricted assets - TCRS Stabilization Reserve Trust	12,541	-	12,541
Due from other funds	53,504	-	53,504
Total assets	$ 601,266	$ 53,504	$ 654,770
LIABILITIES			
Accounts payable	$ 83,387	$ -	$ 83,387
Accrued expenditures	32,449	-	32,449
Due to other funds	-	53,504	53,504
Total liabilities	115,836	53,504	169,340
FUND BALANCES			
Nonspendable	53,504	-	53,504
Restricted	12,541	-	12,541
Unassigned	419,385	-	419,385
Total fund deficits	485,430	-	485,430
Total liabilities and fund deficits	$ 601,266	$ 53,504	$ 654,770

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

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
BALANCE SHEET
GOVERNMENTAL FUNDS - CONTINUED
JUNE 30, 2020

RECONCILIATION OF GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION:

Total governmental fund balance	$ 485,430
Capital assets not reported	1,676,282
Pension amounts not reported:	
Net pension asset	165,314
Net pension liability	(166,350)
Net deferred inflows of resources related to pensions	(230,152)
Net deferred outflows of resources related to pensions	220,008
Long-term debt not reported	(1,096,235)
Net position of governmental activities in the statement of net position	$ 1,054,297

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

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

	General Purpose School Fund	Federal and State Grants Fund	Total Governmental Funds
REVENUES			
Contributions	$ 97,955	$ -	$ 97,955
District funding	2,167,096	-	2,167,096
Federal and state grants	-	419,587	419,587
Contract fees	45,867	-	45,867
Other income	16,677	-	16,677
Total revenues	2,327,595	419,587	2,747,182
EXPENDITURES			
Current:			
Instructional	82,242	-	82,242
Occupancy	109,277	36,000	145,277
Office	29,877	-	29,877
Other	8,079	-	8,079
Organizational development	720	-	720
Professional services and fees	104,414	-	104,414
Employee compensation	1,559,582	204,167	1,763,749
Food services	38,565	179,420	217,985
Insurance	46,732	-	46,732
Transportation	177,628	-	177,628
Capital outlay	38,972	-	38,972
Debt service:			
Principal	22,061	-	22,061
Interest	43,270	-	43,270
Total expenditures	2,261,419	419,587	2,681,006
OTHER FINANCING SOURCES			
Proceeds from debt refinancing	335,877	-	335,877
Total other financing sources	335,877	-	335,877
NET CHANGE IN FUND BALANCES	402,053	-	402,053
FUND BALANCES, June 30, 2019	83,377	-	83,377
FUND BALANCES, June 30, 2020	$ 485,430	$ -	$ 485,430

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

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CONTINUED
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

RECONCILIATION OF NET CHANGE IN FUND BALANCES TO CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES:

Net change in fund balances as reported in the governmental funds statements	$	402,053
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlay, reported as expenditures in governmental funds are shown as capital assets in the statement of net assets.		38,972
Principal payments on long-term debt, reported as expenditures in governmental funds are shown as liabilities in the statement of net position.		22,061
Loan proceeds reported as other financing sources in governmental funds are not reported in the statement of activities.		(335,877)
Expenses in the government-wide statements not included in the governmental funds:		
Depreciation and amortization expense		(138,447)
Net pension changes		(43,185)
Change in net position of governmental activities	$	(54,423)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Project Reflect sponsors and operates Smithson Craighead Academy Elementary School ("SCA" and collectively the "Organization"). The Organization is a Public Charter School under Section 6(1)(a) of the Tennessee Public Charter School Act of 2002 (the "Act"). Pursuant to the Act, public charter schools are part of the state's public education program offering an alternative means with the public school system for accomplishing necessary outcomes of education. SCA entered into a Charter School Agreement with the Metropolitan Nashville Board of Education to operate a charter school in Nashville, Tennessee. SCA began classes in August 2003 with kindergarten through fourth grade classes. The mission of SCA is to improve the academic achievement of elementary school students.

Reporting Entity

Prior to July 1, 2014, Project Reflect operated SCA as well as certain other operations. Accordingly, separate financial statements were prepared for the Project Reflect and SCA in accordance with State of Tennessee regulations. However, effective July 1, 2014 and for all of fiscal year 2015, the activities of the Project Reflect and SCA are the same as Project Reflect had no material operations outside of SCA. Accordingly, no separate fund financial statements are presented for the SCA as of and for the year ended June 30, 2020. The operations reflected in the accompanying financial statements relate to the operation of SCA.

Basic Financial Statements

In accordance with State of Tennessee regulations, Project Reflect, Inc. reports as a special purpose governmental entity. The activities of Smithson Craighead Academy Elementary School are essentially the same as Project Reflect, therefore separate fund financial statements are not presented for the School, as any differences in activities are immaterial.

Government-wide financial statements

The government-wide financial statements focus on the sustainability of the Organization as an entity and the change in the Organization's net position resulting from the current year's activities. In the government-wide statement of net position, amounts are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as any long-term debt and obligations. The statement of net position presents the financial condition of the Organization at year-end.

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Government-wide financial statements, continued

When applicable, the Organization's net position is reported in three categories – net investment in capital assets; net position – restricted; and net position – unrestricted. When both restricted and unrestricted resources are available for use, it is the Organization's policy to use restricted resources first, and then unrestricted resources as they are needed.

The government-wide statement of activities reports both the gross and net cost of the Organization's functions. The functions are also supported by general government revenues (general revenues are primarily made up of district Basic Education Program ("BEP") funding and donations to the General Purpose School Fund). The statement of activities reduces gross expenses by related function revenues, including operating grants and contributions and capital grants and contributions. Program revenues must be directly associated with the function. The net costs of function are normally covered by general revenue.

Fund financial statements

The financial transactions of the Organization are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund balance, revenues and expenditures.

The General Purpose School Fund is the primary operating fund. It accounts for all financial resources, except those required to be accounted for in another fund.

The Federal and State Grants Special Revenue Fund is used to account for the receipt and disbursement of federal and state grants where unused balances, if any, are returned to the grantor at the close of specified project periods.

The focus of the governmental funds is upon the determination of financial resources, their balance, sources and use, rather than upon net income. The Organization classifies governmental fund balances as nonspendable, restricted, committed, assigned and unassigned based on the level of constraints on the fund balances. When an expenditure is incurred in which both restricted and unrestricted funds are available for use, it is the Organization's policy to spend restricted funds first, then unrestricted funds. When an expenditure has been incurred for purposes in which multiple categories of unrestricted funds are available, it is the Organization's policy to spend funds in the following order: committed, then assigned and lastly unassigned funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Fund financial statements

The classifications of fund balances are defined as follows:

Nonspendable – This classification consists of fund balances that cannot be spent because they are either not in spendable form, for example, noncash amounts that are not expected to be converted to cash, or the funds are legally or contractually required to be maintained intact.

Restricted – This classification consists of fund balances with external constraints on use imposed by creditors (such as through debt covenants), contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Committed – This classification consists of fund balances that can only be used for specific purposes established by formal action of the Board of Trustees, its highest level of decision making authority. Such commitments should include contractual obligations of fund assets. Fund balance commitments can only be removed by the same process of the same body employed to previously commit those amounts.

Assigned – This classification consists of all fund balances that are not in the General Purpose School Fund or classified as nonspendable, restricted or committed. In addition, General Purpose School Fund balances that are intended to be used for specific purposes and are also classified as assigned. The Organization gives the authority to assign amounts to specific purposes to the Organization's accountant and personnel under the supervision of the accountant tasked with financial recording responsibilities.

Unassigned – This classification consists of all fund balances in the General Purpose School Fund that are not reported as nonspendable, restricted, committed or assigned.

Basis of Accounting

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the GASB.

The Organization is considered a special purpose governmental entity engaged in governmental type activities and is not a component unit of another governmental entity. Therefore, the financial statements are prepared in the same manner as general purpose governments.

The basic financial statements include both government-wide (reporting the Organization as a whole) and fund financial statements (reporting the Organization's major funds). The Organization's primary activities are all considered to be governmental activities and are classified as such in the government-wide and fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Basis of Accounting, Continued

The government-wide financial statements have been prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Revenues under the modified accrual basis are recognized when measurable and available and expenditures are recognized when the related liability is incurred. "Available" means collectible within the current period or within 60 days after the end of the year.

Since the governmental funds financial statements are presented on a different basis than the government-wide financial statements, reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the government wide financial statements.

Estimates and Uncertainties

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers deposits that can be redeemed on demand and investments that have original maturities of less than three months, when purchased, to be cash equivalents. As of June 30, 2020, cash and cash equivalents were deposited with a financial institution and those deposits may, from time to time, maintain deposit balances in excess of federally insured limits.

Receivables

Receivables represent amounts due from grants or funding which have been approved but not received. All receivables are reported at estimated collectible amounts.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital Assets

Property and equipment are recorded at acquisition cost, if purchased, or the fair value on the date received, if donated. The cost of routine maintenance and repairs is expensed as incurred. Initial individual expenditures generally exceeding $1,000, which materially extend the economic lives, change capacities or improve the efficiency of the related assets are capitalized. Upon sale or retirement, the cost and related accumulated depreciation are removed from the respective accounts, and the resulting gain or loss, if any, is included in the statement of activities. Depreciation is provided using straight-line method over the estimated useful lives of the assets, ranging from 5 to 39 years.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital expenditures of the respective governmental fund upon acquisition.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditures) until then. When applicable, the Organization reports deferred outflow of resources relating to the pensions: Contributions made subsequent to the pension measurement date, difference between expected and actual experience, difference between projected and actual investment earnings, and changes in proportion of the net pension liability.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. When applicable, the Organization has two types of items that qualify for reporting in this category. The first, which arises only under a modified accrual basis of accounting, is unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from amounts that are deferred and recognized as an inflow of resources in the period that the amount becomes available. The Organization had no unavailable revenues at June 30, 2020. The Organization also reports the following deferred inflow of resources related to pensions: differences between expected and actual experience, differences between projected and actual investment earnings, and changes in the preparation of the net pension.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Income Taxes

The Organization is a not-for-profit organization that is exempt from federal income taxes under the Internal Revenue Code, classified by the Internal Revenue Service as other than a private foundation and is similarly exempt from state income taxes. The Organization accounts for the effect of any uncertain tax positions based on a more likely than not threshold to the recognition of the tax positions being sustained based on the technical merits of the position under examination by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a cumulative probability assessment that aggregates the estimated tax liability for all uncertain tax positions. Tax positions include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax; however, management has determined that such tax positions do not result in an uncertainty requiring recognition.

Grants

The Organization receives awards and financial assistance through federal, state, local and private agencies. The expenditures of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Purpose School Fund or Federal and State Grants Fund. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the Organization.

Fair Value of Financial Instruments

The carrying value of cash equivalents, receivables, accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The fair value of long-term debt approximates carrying value as interest approximates market rates.

Interfund Balances

Transactions which constitute reimbursement of expenditures initially made from a fund, which are properly applicable to another fund, are recorded as expenditures, as appropriate, in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Interfund Balances, Continued

The Federal and State Grants Fund occasionally makes disbursements in advance of receiving funds. Accordingly, interfund transfers are made from the General Purpose School Fund in the form of due to/from. The amounts due the General Purpose School Fund are repaid upon receipt of the grants or contributions. At June 30, 2020, details of the interfund balances include Federal and State Grants Fund due to General Purpose School Fund relating to operating grant expenditures in advance of receipt of grant funding of $53,504.

NOTE 2 - CONTINUING ACTIVITIES

The Organization is dependent on certain significant contracts and grants for its continued operations. These contracts and grants are from state, local and other sources and are subject to the Organization's ability to fulfill the contract and grant requirements. Additionally, the Organization's receipt of such contracts and grants may also be contingent upon its ability to maintain certain financial condition, cash flows, level of operations, payment of liabilities, and test scores and academic standards. If a grantor agency finds that the Organization is not meeting these requirements, the agency may not provide continuing funding, which would have a material adverse impact on the Organization's ability to continue its operations.

NOTE 3 - RISK OF LOSS

The Organization does not have formal deposit policies that address its exposure to custodial credit risk, however does limit deposits to those instruments allowed by applicable state laws. As of June 30, 2020, bank deposits were not fully collateralized and insured by institutions insured by the FDIC.

The Organization is exposed to various risks of loss similar to a commercial business, such as general liability, errors and omissions, and other situations. The Organization purchases commercial insurance for the significant risks of loss. Settled claims have not exceeded the insurance coverage limits during the Organization's operation.

NOTE 4 - CAPITAL ASSETS

Capital assets activity for government activities for the year was as follows:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 300,000	$ -	$ -	$ 300,000
	300,000	-	-	300,000
Capital assets depreciating:				
Building and improvements	2,235,601	-	-	2,235,601
Equipment	370,278	38,972	-	409,250
Furniture and fixtures	87,323	-	-	87,323
Total capital assets depreciating	2,693,202	38,972	-	2,732,174
Less accumulated depreciation for:				
Building and improvements	823,619	110,810	-	934,429
Equipment	310,477	25,282	-	335,759
Furniture and fixtures	83,349	2,355	-	85,704
Total accumulated depreciation	1,217,445	138,447	-	1,355,892
Total capital assets depreciating, net	1,475,757			1,376,282
Governmental activities capital assets, net	$ 1,775,757			$ 1,676,282

In certain circumstances, grantor agencies may retain an interest in equipment purchased with grant funds. Management has worked with grantor agencies with respect to the certain equipment and obtained approval to retain and use for other operations, including the Elementary School. Accordingly, no provision was made in the financial statements for the return of equipment to grantor agencies.

NOTE 5 - LONG-TERM DEBT

The Organization entered into a promissory note agreement with a bank in August 2018 to pay off the previous promissory note. The refinanced note is collateralized by the Organization's facilities. The note accrues interest at a fixed rate of 5.51%. The Organization makes payments in monthly installments of $5,544 through July 2023 with a balloon payment due in August 2023.

The Organization has an unsecured note payable with a bank dated May 6, 2020 due in monthly installments of $18,902, including interest at a fixed rate of 1.00%. Payments are scheduled to begin on December 6, 2020. The note is due in full on May 6, 2022. The balance of the note payable at June 30, 2020 was $335,877.

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YEAR ENDED JUNE 30, 2020

NOTE 5 - LONG-TERM DEBT (CONTINUED)

The loan received on May 6, 2020 was under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels.

The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The Organization intends to use the proceeds for purposes consistent with the PPP. While the Organization currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, we cannot assure you that we will not take actions that could cause the Organization to be ineligible for forgiveness of the loan, in whole or in part.

The following is a summary of changes in the Organization's long-term debt for governmental activities for the fiscal year ended June 30, 2020:

	Balance July 1, 2019	Additions	Payments	Balance June 30, 2020
Note payable - Bank	$ 782,419	$ -	$ (22,061)	$ 760,358
Note payable - PPP	-	335,877	-	335,877
Total	$ 782,419	$335,877	$ (22,061)	$1,096,235

A summary of annual principal and interest requirements follows:

Year Ending June 30,	Interest	Principal
2021	$ 44,621	$ 153,025
2022	40,972	232,282
2023	38,501	26,829
2024	6,272	684,099
	$130,366	$1,096,235

NOTE 6 - COMMITMENTS AND CONTINGENCIES

The Organization has received federal and state grants for specific purposes that are subject to review and audit by grantor agencies. Although such audits could generate expenditure disallowance under terms of the grants, management believes any required reimbursements would not be material to the financial statements.

NOTE 7 - CONCENTRATIONS

The Organization received approximately 78% of its funding for operations from MNPS based on the State of Tennessee's Basic Education Program (BEP). BEP funding is designated to schools based on student attendance. Gross BEP funding for the year ended June 30, 2020 was $2,167,096.

Outside fundraising for capital needs is on-going to supplement funding received from State BEP capital since the charter school agreement with MNPS does not include an allocation for capital expenditures.

NOTE 8 - PENSION PLANS

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Legacy Pension Plan and the Teacher Retirement Plan in the Tennessee (TCRS) and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Legacy Pension Plan and the Teacher Retirement Plan. Investments are reported at fair value.

Teacher Legacy Pension Plan of TCRS

General Information about the Pension Plan

Plan Description – The Tennessee Consolidated Retirement System (TCRS) was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies.

Teachers employed by the Organization with membership in the TCRS before July 1, 2014 are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees.

Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan.

NOTE 8 - PENSION PLANS, CONTINUED

Teacher Legacy Pension Plan of TCRS (Continued)

General Information about the Pension Plan (Continued)

Benefits Provided - Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 55 and vested. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is a based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is grated if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw employee contributions, plus any accumulated interest.

Contributions - Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers contribute 5 percent of salary. The LEAs make employer contributions at a rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by Project Reflect for the year ended June 30, 2020 to the Teacher Legacy Pension Plan were $63,621 which is 10.63 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

PROJECT REFLECT, INC.
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YEAR ENDED JUNE 30, 2020

NOTE 9 - PENSION PLANS, CONTINUED

Teacher Legacy Pension Plan of TCRS (Continued)

Pension Liabilities (Assets), Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities (Assets) - At June 30, 2020, the Organization reported a liability (asset) of ($150,712) for its proportionate share of net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Organization's proportion of the net pension liability was based on the Organization's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019, the Organization's proportion was 0.014658 percent. The proportion measured as of June 30, 2018 was 0.011556 percent.

Pension Expense (Negative Pension Expense) - For the year ended June 30, 2020, the Organization recognized pension expense (negative pension expense) of $53,835.

Deferred Outflows of Resources and Deferred Inflows of Resources - For the year ended June 30, 2020, the Organization reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 7,338	$ 92,058
Changes in assumptions	20,309	-
Net difference between projected and actual earnings on pension plan investments	-	43,061
Changes in proportion of net pension liability (asset)	43,803	20,300
LEA's contributions subsequent to the measurement date of June 30, 2019	63,621	Not applicable
	$ 135,071	$ 155,419

The Organization's employer contributions of $63,621, reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as a reduction (increase) in net pension liability (asset) in the year ended June 30, 2021.

NOTE 8 - PENSION PLANS, CONTINUED

Teacher Legacy Pension Plan of TCRS (Continued)

Pension Liabilities (Assets), Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,		
2021	$	2,971
2022		(48,457)
2023		(23,695)
2024		(14,789)
2025		-
Thereafter		-

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions - The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of living adjustment	2.25 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2019 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012 through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

NOTE 8 - PENSION PLANS, CONTINUED

Teacher Legacy Pension Plan of TCRS (Continued)

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return	Target Allocation
U.S. equity	5.69%	31.00%
Developed market international equity	5.29%	14.00%
Emerging market international equity	6.36%	4.00%
Private equity and strategic lending	5.79%	20.00%
U.S. fixed income	2.01%	20.00%
Real estate	4.32%	10.00%
Short-term securities	0.00%	1.00%
		100.00%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

Discount Rate - The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 8 - PENSION PLANS, CONTINUED

Teacher Legacy Pension Plan of TCRS (Continued)

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate - The following presents the Organization's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the Organization's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25)%
Proportionate share of the net pension liability (asset):	$308,163	$ (150,712)	$ (515,736)

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

Payable to the Pension Plan - At June 30, 2020, the Organization reported a payable of $0 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2020.

Teachers Retirement Plan

General Information about the Pension Plan

Plan Description – The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies.

Teachers employed by the Organization with membership in the TCRS before July 1, 2014 are provided with pensions through the Teacher Legacy Pension Plan, a cost sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by Local Education Agencies (LEAs) after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan.

NOTE 8 - PENSION PLANS, CONTINUED

Teacher Retirement Plan of TCRS (Continued)

Benefits Provided - Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Retirement Plan are eligible to retire at age 65 with 5 years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available at age 60 and vested or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as service retirement benefit but are reduced 10 percent and included projected service credits. A variety of death benefits are available under various eligibility criteria. Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLAs, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of the benefit terms and conditions on an automatic basis.

Contributions - Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers contribute 5 percent of salary. The LEAs make employer contributions at a rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing the TCRS, the employer contribution rate cannot be less than 4 percent, except in years when the maximum funded level, as established by the TCRS Board of Trustees, is reached. By law, employer contributions are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the Organization for the year ended June 30, 2019 to the Teacher Retirement Plan were $6,069 which is 2.03 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

NOTE 8 - PENSION PLANS, CONTINUED

Teacher Retirement Plan of TCRS (Continued)

Pension Liabilities (Assets), Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities (Assets) - At June 30, 2020, the Organization reported a liability (asset) of ($14,604) for its proportionate share of net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Organization's proportion of the net pension liability (asset) was based on the Organization's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019, the Organization's proportion was 0.025871 percent. The proportion measured as of June 30, 2018 was 0.026285 percent.

Pension Expense - For the year ended June 30, 2020, the Organization recognized pension expense (negative pension expense) of $4,572.

Deferred Outflows of Resources and Deferred Inflows of Resources - For the year ended June 30, 2019, the Organization reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 606	$ 2,549
Net difference between projected and actual earnings on pension plan investments	-	617
Changes in assumptions	507	-
Changes in proportion of net pension liability (asset)	440	518
LEA's contributions subsequent to the measurement date of June 30, 2019	6,069	Not applicable
	$ 7,622	$ 3,684

NOTE 8 - PENSION PLANS, CONTINUED

Teacher Retirement Plan of TCRS (Continued)

Pension Liabilities (Assets), Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The Organization's employer contributions of $6,069, reported as pension related deferred outflows of resources, subsequent to the measurement date, will be recognized as an increase in net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,		
2021	$	(321)
2022		(415)
2023		(242)
2024		(154)
2025		(129)
Thereafter		(872)

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions - The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of living adjustment	2.25 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2019 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012 through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

NOTE 8 - PENSION PLANS, CONTINUED

Teacher Retirement Plan of TCRS (Continued)

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return	Target Allocation
U.S. equity	5.69%	31.00%
Developed market international equity	5.29%	14.00%
Emerging market international equity	6.36%	4.00%
Private equity and strategic lending	5.79%	20.00%
U.S. fixed income	2.01%	20.00%
Real estate	4.32%	10.00%
Short-term securities	0.00%	1.00%
		100.00%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

Discount Rate - The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 8 - PENSION PLANS, CONTINUED

Teacher Retirement Plan of TCRS (Continued)

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate - The following presents the Organization's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the Organization's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25)%
Proportionate share of the net pension liability (asset):	$ 4,627	$ (14,604)	$ (28,819)

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

Payable to the Pension Plan - At June 30, 2020, the Organization reported no payable for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2020.

Defined Contribution Plan – The TCRS Retirement Plan has a defined contribution component to the plan. Under the terms of the Plan for the defined contribution component, employees contribute 2% of their salaries to the plan, but are allowed an opt out feature. The Organization is required to contribute 5% of annual salaries, to an individual employee account. For the year ended June 30, 2020, the Organization recognized pension expense of $12,234 related to the defined contribution component of the plan. Employees are immediately vested in the plan.

Metro Plan

General Information about the Pension Plan

Plan Description - The Metro Plan is established under the authority of the Metropolitan Charter, Article XIII. Approval of the Metropolitan Council is required to establish and amend benefit provisions. Article XIII also required that the pension plan be actuarially sound. Administrative costs of the plan are financed through plan assets. The plan is managed by the Metropolitan Employee Benefit Board, an independent board, created by the Metropolitan Charter.

NOTE 8 - PENSION PLANS, CONTINUED

Metro Plan (Continued)

The Board is composed of ten members as follows: Finance Director, Human Resources Director, three members appointed by the Mayor, and five members selected by the employees and retirees of the Metropolitan Government. Additional information about the Metro Plan can be found in the publicly available comprehensive annual financial report of the Metropolitan Government. That report may be obtained at www.nashville.gov.

Benefits Provided - As of July 1, 1995, Division B of the Metro Plan was established for all non-certificated employees of the Metropolitan Nashville Public Schools, including charter schools, and all other Metro Government employees. Employees with an effective hire date of July 1, 1995 or later are only eligible to participate in Division B of the Metro Plan.

Normal retirement for the Organization's employees participating in the Metro Plan occurs at the unreduced retirement age which is the earlier of (a) the date when the employee's age plus the completed years of credited service equals 85, but not before age 60; and (b) the date when the employee reaches age 65 and completes 5 years of credited employee service. The lifetime monthly benefit is calculated as 1/12 of the sum of 1.75% of average earnings based upon the previous 60 consecutive months of credit service, which produce the highest earnings. Benefits fully vest on completing 5 years of service employees employed on or between October 1, 2001 and December 31, 2012 who vest before leaving employment. Benefits fully vest on completing 10 years of service for employees and non-vested employees hired or rehired on or after January 1, 2013. An early retirement option, with reduced benefits, is available for retired employees if the termination occurs prior to the eligibility under normal retirement but after age 50 and after the completion of 10 years of credited employee service.

All assets of the Metropolitan Employees' Benefit Trust Fund may legally be used to pay benefit to any plan members or beneficiaries.

Contributions - The funding policy is to provide for periodic contributions at actuarially determined rates that are designed to accumulate sufficient assets to pay benefits when due. All funding is provided under an actuarially recommended employee contribution rate of 12.34% for the non-certificate employees of the Metropolitan Nashville Public Schools, including charter schools, and all other Metropolitan Government Employees. Contributions to the plan for the year ended June 30, 2020 were $51,535.

NOTE 8 - PENSION PLANS, CONTINUED

Metro Plan (Continued)

Pension Liabilities (Assets), Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Liabilities – At June 30, 2020, the Organization reported a liability of $166,350 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The Organization's proportion of the net pension liability was based on the Organization's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2020, the Organization's proportionate share was 0.0767 percent. The proportion measured as of June 30, 2019 was 0.0593 percent.

Pension Expense - For the year ended June 30, 2020, the Organization recognized pension expense of $106,004.

Deferred Outflows of Resources and Deferred Inflows of Resources - For the year ended June 30, 2020, the Organization reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,186	$ 8,114
Net difference between projected and actual earnings on pension plan investments	-	24,867
Changes in assumptions	69,128	-
Changes in proportion of net pension liability (asset)	-	38,068
	$ 77,314	$ 71,049

NOTE 8 - PENSION PLANS, CONTINUED

Metro Plan (Continued)

Pension Liabilities (Assets), Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,		
2021	$	(5,752)
2022		(17,184)
2023		(6,348)
2024		9,474
2025		12,671
Thereafter		13,404

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of July 1, 2019. Actuarial assumptions are summarized below:

Inflation	2.50 percent
Salary increases	4.00 percent
Investment rate of return	7.25 percent, net of pension plan investment expenses, including inflation
Cost-of living adjustment	1.25 percent

Mortality rates were based on the 115% RP-2014 Blue Collar Mortality Table for Males and Females, as determined by the period actuarial experience study. The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period 2013 to 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class from historical returns on consensus expectations of future returns. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

NOTE 8 - PENSION PLANS, CONTINUED

Metro Plan (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Metro Plan's target asset allocation are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return	Target Allocation
U.S. equity	5.10%	24.00%
International equity	5.30%	16.00%
Private equity	7.90%	10.00%
Equity hedge	7.90%	10.00%
Real estate	4.90%	10.00%
Core plus fixed income	2.30%	20.00%
Fixed income alternatives	2.70%	10.00%
		100.00%

Discount Rate - The discount rate used to measure the total pension liability was 7.25%. Based on the Metro Plan assumptions and funding policy, the fiduciary net position for the plan was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate - The following presents the Organization's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the Organization's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25)%
Proportionate share of the net pension liability (asset):	$537,311	$ 166,350	$ (316,688)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in a separately issued Metropolitan Government financial report.

Payable to the Pension Plan - At June 30, 2019, the Organization reported a payable of $2,458 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2019.

NOTE 9 - TCRS STABILIZATION TRUST

Legal Provisions

The Organization is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The School Department has placed funds into the irrevocable trust as authorized by statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the School Department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The Organization may not impose any restrictions on investments placed by the trust on their behalf.

Investment Balances

Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool's underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares.

Investments are reported at fair value or amortized which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair Securities and securities transactions are recorded in the financial statements on a trade-date basis. The fair value of assets of the TRGT held at June 30, 2020, represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets held are categorized for fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

NOTE 9 - TCRS STABILIZATION TRUST, CONTINUED

- Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.
- Level 2 – Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.
- Level 3 – Valuations derived from the valuation techniques in which significant inputs are unobservable.

Investments using the Net Asset Value ("NAV") per share have no readily determinable fair value and have been determined using amortized cost which approximates fair value.

Where inputs used in the measurement of fair value fall into different levels of the hierarchy, fair value of the instrument in its entirety is categorized based on the lowest level input that is significant to the valuation. This assessment requires professional judgement and as such management of the TRGT developed a fair value committee that worked in conjunction with the plan's custodian and investment professionals to make these valuations. All assets held were valued individually and aggregated into classes so to be represented in the table below.

Short-term securities generally include investments in money market-type securities reported at cost plus accrued interest.

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Equity and Equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

US Treasury Bills, Bonds, Notes and Futures classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Debt and debt derivative securities classified in Level 2 are valued using a bid-ask spread price from multiple independent brokers, dealers, or market principals, which are known to be actively involved in the market. Level 3 debt securities are valued using proprietary information, a single pricing source, or other unobservable inputs related to similar assets or liabilities.

Real Estate investments classified in Level 3 are valued using the last valuations provided by external investment advisors or independent external appraisers. Generally, all direct real estate investments are appraised by a qualified independent appraiser(s) with the professional designation of Member of the Appraisal Institute ("MAI"), or its equivalent, every three (3) years beginning from the acquisition date of the property. The appraisals are performed using generally accepted valuation approaches applicable to the property type.

NOTE 9 - TCRS STABILIZATION TRUST, CONTINUED

Investments in private mutual funds, traditional private equity funds, strategic lending funds and real estate funds that report using GAAP, the fair value, as well as the unfunded commitments, were determined using the prior quarter's NAV, as reported by the fund managers, plus the current cash flows. These assets were then categorized by investment strategy. In instances where the fund investment reported using non-GAAP standards, the investment was valued using the same method, but was classified in Level 3.

At June 30, 2020 the Organization had the following investments held by the trust on its behalf:

Investment	Weighted Average Maturity (Days)	Maturities	Percentage Target Allocations	Fair Value
Investments at fair value:				
U.S. equity	N/A	N/A	31%	3,888
Developed market international equity	N/A	N/A	14%	1,756
Emerging market international equity	N/A	N/A	4%	502
U.S. fixed income	N/A	N/A	20%	2,508
Real estate	N/A	N/A	10%	1,254
Short-term securities	N/A	N/A	1%	125
Investments at amortized cost using the NAV:				
Private equity and strategic lending	N/A	N/A	20%	2,508
Total			100%	12,541

NOTE 9 - TCRS STABILIZATION TRUST, CONTINUED

Investment by Fair Value Level	Fair Value 6/30/2020	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Amortized Cost: NAV
U.S. equity	$ 3,888	$ 3,888	$ -	$ -	$ -
Developed market international equity	1,756	1,756	-	-	-
Emerging market international equity	502	502	-	-	-
U.S. fixed income	2,508	-	2,508	-	-
Real estate	1,254	-	-	1,254	-
Short-term securities	125	-	125	-	-
Private equity and strategic lending	2,508	-	-	-	2,508
Total	$ 12,541	$ 6,146	$ 2,633	$ 1,254	$ 2,508

Risks and Uncertainties

The trust's investments include various types of investment funds, which in turn invest in any combination of stock, bonds and other investments exposed to various risks, such as interest rate, credit, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported for trust investments.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Organization does not have the ability to limit trust investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Organization does not have the ability to limit the credit ratings of individual investments made by the trust.

NOTE 9 - TCRS STABILIZATION TRUST, CONTINUED

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. The Organization places no limit on the amount the county may invest in one issuer.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the Organization to pay retirement benefits of the School Department employees.

For further information concerning the Organization's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2019/ag18092.pdf.

NOTE 10 - DATE OF MANAGEMENT'S REVIEW

Subsequent events have been evaluated by the Organization's management through December 8, 2020, which is the date the financial statements were available to be issued. During this period, there were no material recognizable subsequent events that required recognition in our disclosures to the June 30, 2020 financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF
NET PENSION LIABILITY (ASSET)
TEACHER LEGACY PENSION PLAN OF TCRS
FISCAL YEAR ENDED JUNE 30
(UNAUDITED)

	2019	2018	2017	2016	2015	2014
liability (asset)	0.014658%	0.011556%	0.017623%	0.019872%	0.018416%	0.024300%
liability (asset)	$ (150,712)	$ (40,666)	$ (5,766)	$ 124,192	$ 7,544	$ (3,941)
	$ 491,510	$ 404,670	$ 622,955	$ 717,357	$ 689,394	$ 958,694
: pension liability : covered payroll	-30.66%	-10.05%	-0.93%	17.31%	1.09%	-0.41%
a percentage	104.28%	101.49%	100.14%	97.14%	99.81%	100.08%

; schedule were determined as of the measurement date.

;chedule for this data to be presented starting with the implementation of GASB 68.
ile is not required to be presented retroactively prior to the implementation date.

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
TEACHER RETIREMENT PLAN OF TCRS
FISCAL YEAR ENDED JUNE 30
(UNAUDITED)

	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	0.025871%	0.026285%	0.027479%	0.022930%	0.018940%
Proportion of the net pension liability (asset)	$ (14,604)	$ (11,921)	$ (7,249)	$ (2,387)	$ (762)
Covered payroll	$ 273,768	$ 229,704	$ 180,350	$ 100,894	$ 39,353
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-5.33%	-5.19%	-4.02%	-2.37%	1.94%
Plan fiduciary net position as a percentage of the total pension liability	123.07%	126.97%	126.81%	121.88%	127.46%

The amounts presented in this schedule were determined as of the measurement date.

GASB 68 requires a 10-year schedule for this data to be presented starting with the implementation of GASB 68. The information in this schedule is not required to be presented retroactively prior to the implementation date.

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF
NET PENSION LIABILITY (ASSET)
METRO PLAN
FISCAL YEAR ENDED JUNE 30
(UNAUDITED)

	2020	2019	2018	2017	2016	2015
ty (asset)	0.0767%	0.0593%	0.2880%	0.4690%	0.0962%	0.1085%
ity (asset)	$ 166,350	$ 72,686	$ 46,290	$ 57,368	$ 212,961	$ 74,756
	$ 417,626	$ 313,712	$ 243,404	$ 426,977	$ 413,135	$ 567,221
sion liability ered payroll	39.83%	23.17%	19.02%	13.44%	51.55%	13.18%
centage	103.91%	93.76%	101.58%	98.64%	92.39%	97.57%

edule were determined as of the measurement date.

/er, the information in this schedule is not required to be presented retroactively.
le in future years until 10 years of information is available.

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FISCAL YEARS ENDING JUNE 30,
(UNAUDITED)

	2020	2019	2018	2017	2016	2015
)	$ 51,412	$ 36,744	$ 36,744	$ 56,315	$ 64,849	$ 46,775
,	51,412	36,744	36,744	56,315	64,849	46,775
	$ -	$ -	$ -	$ -	$ -	$ -
	$ 491,510	$ 406,460	$ 406,460	$ 622,954	$ 717,357	$ 517,423
ee payroll	10.46%	9.04%	9.04%	9.04%	9.04%	9.04%

	2020	2019	2018	2017	2016	2015
)	$ 5,311	$ 9,188	$ 9,188	$ 7,214	$ 4,036	$ 11,567
,	5,311	9,188	9,188	7,214	4,036	11,567
	$ -	$ -	$ -	$ -	$ -	$ -
	$ 273,768	$ 229,700	$ 229,700	$ 180,350	$ 100,900	$ 289,175
ee payroll	1.94%	4.00%	4.00%	4.00%	4.00%	4.00%

	2020	2019	2018	2017	2016	2015
)	$ 51,535	$ 38,712	$ 30,036	$ 52,689	$ 68,497	$ 102,026
,	51,535	38,712	30,036	52,689	68,497	102,026
	$ -	$ -	$ -	$ -	$ -	$ -
	$ 417,626	$ 313,712	$ 243,404	$ 426,977	$ 413,135	$ 567,221
ee payroll	12.340%	12.340%	12.340%	12.340%	16.580%	17.987%

ie information in this schedule is not required to be presented
; schedule in the future fiscal years until 10 years of information

OTHER INFORMATION

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020

am Name	CFDA Number	Beginning (Accrued) Deferred	Cash Receipts	Expenditures	Ending (Accrued) Deferred
re:					
; Department of Education					
ım	10.555	$ -	$ 158,939	$ 172,776	$ (13,837)
ables Program	10.582	-	6,644	6,644	-
n:					
; Department of Education,					
Educational Agencies	84.010	(14,240)	127,119	124,891	(12,012)
r (IDEA) ants to States	84.027	-	23,333	50,988	(27,655)
		$ (14,240)	$ 316,035	$ 355,299	$ (53,504)

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of Expenditures of Federal Awards includes the federal grant activity of the School. ule is presented in accordance with the requirements of the State of Tennessee. ng the accrual basis of accounting.

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2020

am Name	CFDA Number	Beginning (Accrued) Deferred	Cash Receipts	Expenditures	Ending (Accrued) Deferred
ducation:					
ı on	N/A	$ -	$ 36,000	$ 36,000	$ -
s Fund	N/A	-	28,288	28,288	-
ı	N/A	-	2,072,522	2,167,096	(94,574)
		$ -	$ 2,136,810	$ 2,231,384	$ (94,574)

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of Expenditures of State Financial Assistance includes the state grant activity of the School.
ule is presented in accordance with the requirements of the State of Tennessee.
ing the accrual basis of accounting.

PROJECT REFLECT, INC.
SMITHSON CRAIGHEAD ACADEMY
SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE
JUNE 30, 2020

	Original Amount of Issue	Interest Rate	Date of Issue	Final Maturity Date	Outstanding 7/1/2019	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding 6/30/2020
	$ 800,000	5.51%	8/28/2018	8/28/2023	$ 782,419	$ -	$ 22,061	$ -	$ 760,358
	335,877	1.00%	5/6/2020	5/6/2022	-	335,877	-	-	335,877
al fund					$ 782,419	$ 335,877	$ 22,061	$ -	$ 1,096,235