



Memphis Merit Academy Charter School

Monthly MMA Board Meeting

Published on September 13, 2024 at 2:14 PM EDT
Amended on September 17, 2024 at 12:44 PM EDT

Date and Time

Thursday September 19, 2024 at 5:30 PM EDT

Location

Memphis Merit Academy

PUBLIC COMMENT AT MEMPHIS MERIT ACADEMY BOARD MEETINGS - An opportunity for the public to address the Board will be provided at the conclusion of the agenda. Members of the public who wish to speak on any item are requested to identify themselves and indicate on which agenda item they wish to speak. The Board will provide an opportunity for the public to speak for a maximum of three (3) minutes, unless granted additional time at the discretion of the Board. Testimony shall be limited in content to matters pertaining to Memphis Merit Academy. The Board may not take any action on matters discussed during the public testimony period that are not listed on the agenda.

Agenda

	Purpose	Presenter	Time
I. Opening Items			5:30 PM
A. Record Attendance			1 m
B. Call the Meeting to Order			

	Purpose	Presenter	Time
C. Approve Minutes	Approve Minutes		1 m
II. Review and Approval and Monthly Financials			5:32 PM
The purpose of this section is to review and approve the monthly financials for MMA.			
A. Approval of Monthly Financials	Vote	Ben Crowe	10 m
This is the monthly review of prior month financials and updates by back office provider.			
III. Contract Approvals			5:42 PM
A. Student Recruitment Contract	Vote	Aurelia Mcbride	10 m
The attachment is the contract for student recruitment, social media management, and marketing company, TaylorWiz.			
B. Student Computer Lease	Vote	Aurelia Mcbride	10 m
The attached contract is for the lease of 30 student computers for lease rather than purchase to support cash flow and ensure 1:1 technology for scholars. The need for the computers impact testing and intervention for school programming.			
IV. Committee Reports			6:02 PM
The purpose of this section is to review committee reports.			
A. Academic Achievement Committee	Discuss	Lashawn Lester	10 m
2024-2025 Goals MMA's Academic Achievement Committee			
<ul style="list-style-type: none"> • MMA's academic achievement committee will execute Executive Director evaluation by 12/2024 of the 2024-2025 SY. • MMA's academic achievement committee will create a more robust academic data dashboard by the end of 2024-2025 SY. • MMA's academic achievement committee will monitor the current academic data dashboard each month. 			
B. Development Committee	Discuss	Timorie Belk	10 m
2024-2025 Goals MMA's Development Committee			
<ul style="list-style-type: none"> • MMA's development committee will MMA's BOD will be a 100% giving board by 6/30/2025. 			

	Purpose	Presenter	Time
<ul style="list-style-type: none"> • MMA's development committee will create and develop policies for fundraising. • MMA's development committee will secure partnership with New Memphis to support development campaign launch. • MMA's development committee will secure at least \$50K in corporate giving by 4/2025. 			
C. Finance Committee	Discuss	Joseph McKinney	10 m

2024-2025 Goals MMA's Finance Committee

- MMA's finance committee will complete and finalize the multi-year financial strategic plan which incorporates facility for the next 3+ years.
- MMA's finance committee will determine and finalize policies to support the flow of cash from MMARE to MMA by 12/2024.
- MMA's finance committee will develop a facility plan by Oct. 30th to determine facility expansion cost for the upcoming school year.

D. Governance Committee	Discuss	Tressa Johnson	10 m
--------------------------------	---------	----------------	------

2024-2025 Goals MMA's Governance Committee

- MMA's governance committee will recruit at least 6 new members by Feb. 2025.
- MMA's governance committee will determine members rolling off by March 2025.
- MMA's governance committee will recruit at least 1 non-director committee members for each committee.

V. Other Business 6:42 PM

A. Executive Director Update	Discuss	Lakenna Booker	10 m
B. MMARE Financials	Discuss		15 m

The purpose of this section is to update the board on monthly financial position of the total property of 4089 American Way.

VI. Closing Items 7:07 PM

A. Adjourn Meeting	Vote		
---------------------------	------	--	--

* 8-44-102. Open meetings -- "Governing body" defined -- "Meeting" defined. (a)All meetings of any governing body are declared to be public meetings open to the public at all times, except as provided by the Constitution of Tennessee...(ii) The provisions of this subdivision (b)(1)(E) shall not be construed to require the disclosure of a trade secret or proprietary information held or used by an association or nonprofit corporation to which this chapter applies. In the event a trade secret or proprietary information is required to be discussed in an open meeting, the association or nonprofit corporation may conduct an executive session to discuss such trade secret or proprietary information; provided that a notice of the executive session is included in the agenda for such meeting. (iii)As used in this subdivision (b) (1) (E): (a)"Proprietary information" means rating information, plans, or proposals; actuarial information; specifications for specific services provided; and any other similar commercial or financial information used in making or deliberating toward a decision by employees, agents or the board of directors of such association or corporation; and which if known to a person or entity outside the association or corporation would give such person or entity an advantage or an opportunity to gain an advantage over the association or corporation when providing or bidding to provide the same or similar services to local governments; and (b)"Trade secret" means the whole or any portion or phrase of any scientific or technical information, design, process, procedure, formula or improvement which is secret and of value. The trier of fact may infer a trade secret to be secret when the owner thereof takes measures to prevent it from becoming available to persons other than those selected by the owner to have access thereto for limited purposes.

Coversheet

Approval of Monthly Financials

Section: II. Review and Approval and Monthly Financials
Item: A. Approval of Monthly Financials
Purpose: Vote
Submitted by:
Related Material: MMA - FY25 August Financials - Final - 09132024 (2).pdf
MMA - FY25 - August 2024 Financial Update - 240917 (1).pdf

Memphis Merit Academy
Income Statement
As of Aug FY2025

	Actual		YTD	Budget & Forecast				
	Jul	Aug	Actual YTD	Approved Budget v1	Current Forecast	Approved Budget v1 vs. Current Forecast	Current Forecast Remaining	% Forecast Spent
SUMMARY								
Revenue								
Charges for Current Services	-	-	-	36,734	36,734	-	36,734	0%
Other Local Revenues	16,830	58,672	75,502	193,800	561,190	367,390	485,688	13%
State of Tennessee	-	502,831	502,831	5,429,920	5,425,451	(4,468)	4,922,620	9%
Federal Government	-	-	-	289,165	239,168	(49,997)	239,168	0%
Total Revenue	16,830	561,504	578,334	5,949,618	6,262,543	312,925	5,684,209	9%
Expenses								
Personnel	178,363	225,580	403,943	2,751,790	2,871,156	(119,366)	2,467,213	14%
Employer Taxes & Employee Benefits	37,912	43,073	80,985	608,772	621,221	(12,449)	540,235	13%
Contracted Services	132,789	83,520	216,309	1,799,243	1,872,506	(73,263)	1,656,197	12%
Supplies & Materials	6,979	69,977	76,956	674,215	681,574	(7,359)	604,618	11%
Other Charges	9,027	632	9,659	104,627	86,450	18,177	76,791	11%
Debt Service	2,184	2,225	4,409	24,482	26,236	(1,753)	21,826	17%
Capital Expenses	-	-	-	17,288	17,288	-	17,288	0%
Total Expenses	367,255	425,007	792,262	5,980,418	6,176,431	(196,013)	5,384,169	13%
Operating Income	(350,425)	136,497	(213,928)	(30,800)	86,112	116,912	300,040	
Fund Balance								
Beginning Balance (Unaudited)				332,481	113,906			
Operating Income				(30,800)	86,112			
Ending Fund Balance				301,681	200,018			
Fund Balance as a % of Expenses				5.0%	3.2%			
Debt Service Coverage Ratio					0.58			
Debt Service Coverage Ratio (incl. AR & Investments)								

Memphis Merit Academy
Income Statement
As of Aug FY2025

	Actual		YTD	Budget & Forecast				
	Jul	Aug	Actual YTD	Approved Budget v1	Current Forecast	Approved Budget v1 vs. Current Forecast	Current Forecast Remaining	% Forecast Spent
KEY ASSUMPTIONS								
Enrollment Breakdown								
K				66	66	-		
1				66	66	-		
2				90	90	-		
3				60	60	-		
4				60	60	-		
5				85	85	-		
6				30	30	-		
Total Enrolled				457	457	-		
ADM %				94.9%	94.9%	0.0%		
Total ADM				433.9	433.9	-		

Memphis Merit Academy
Income Statement
As of Aug FY2025

		Actual		YTD	Budget & Forecast				
		Jul	Aug	Actual YTD	Approved Budget v1	Current Forecast	Approved Budget v1 vs. Current Forecast	Current Forecast Remaining	% Forecast Spent
REVENUE									
Charges for Current Services									
43518	Tuition - After School Program	-	-	-	22,850	22,850	-	22,850	0%
43519	Student Activity Fees	-	-	-	13,884	13,884	-	13,884	0%
SUBTOTAL - Charges for Current Services		-	-	-	36,734	36,734	-	36,734	0%
Other Local Revenues									
44146	E-Rate Funding	1,185	-	1,185	6,840	6,840	-	5,655	17%
44570.1	Board Contributions	-	-	-	10,000	10,000	-	10,000	0%
44570.2	School Fundraisers	-	2,500	2,500	20,000	22,500	2,500	20,000	11%
44570.3	Foundations	5,000	56,160	61,160	156,960	511,160	354,200	450,000	12%
44990	Other Local Revenue	1,452	12	1,465	-	1,465	1,465	0	100%
44991	Other Local Revenue - Prior Years	9,193	-	9,193	-	9,225	9,225	32	100%
SUBTOTAL - Other Local Revenues		16,830	58,672	75,502	193,800	561,190	367,390	485,688	13%
State of Tennessee									
46510	TISA	-	502,831	502,831	5,379,873	5,379,873	-	4,877,042	9%
46790	Summer School Grant	-	-	-	50,046	45,578	(4,468)	45,578	0%
SUBTOTAL - State of Tennessee		-	502,831	502,831	5,429,920	5,425,451	(4,468)	4,922,620	9%
Federal Government									
47141	Title I - Grants to Local Education Agencies	-	-	-	289,165	239,168	(49,997)	239,168	0%
SUBTOTAL - Federal Government		-	-	-	289,165	239,168	(49,997)	239,168	0%
TOTAL REVENUE		16,830	561,504	578,334	5,949,618	6,262,543	312,925	5,684,209	9%

Memphis Merit Academy
Income Statement
As of Aug FY2025

		Actual		YTD	Budget & Forecast				
		Jul	Aug	Actual YTD	Approved Budget v1	Current Forecast	Approved Budget v1 vs. Current Forecast	Current Forecast Remaining	% Forecast Spent
EXPENSES									
Personnel									
104	Principal	18,780	25,887	44,667	259,000	268,000	(9,000)	223,333	17%
105	Supervisor-Director	12,750	12,750	25,500	216,400	153,000	63,400	127,500	17%
116	Teachers	76,369	97,897	174,267	1,135,524	1,201,997	(66,472)	1,027,730	14%
123	Guidance Personnel	2,837	5,675	8,512	74,460	65,353	9,107	56,840	13%
134	Instructional Coaching	16,071	10,895	26,966	187,600	206,557	(18,957)	179,591	13%
162	Clerical Personnel	18,788	18,292	37,080	210,934	212,569	(1,635)	175,489	17%
163	Interventionists (General Ed)	9,902	14,998	24,901	129,504	190,001	(60,498)	165,100	13%
166	Custodial Personnel	13,860	16,376	30,235	162,566	199,290	(36,724)	169,055	15%
169	Part-time Personnel	1,125	4,256	5,381	36,089	36,458	(370)	31,077	15%
172	Special Education Personnel	7,880	18,554	26,434	201,680	217,898	(16,218)	191,463	12%
174	Summer School Stipends	-	-	-	108,304	90,304	18,000	90,304	0%
181	Bonuses & Extra Pay	-	-	-	29,730	29,730	-	29,730	0%
SUBTOTAL - Personnel		178,363	225,580	403,943	2,751,790	2,871,156	(119,366)	2,467,213	14%
Employer Taxes & Employee Benefits									
201	Social Security	10,830	13,623	24,453	170,487	177,206	(6,719)	152,752	14%
204	State Retirement	13,918	17,832	31,750	221,568	227,117	(5,549)	195,367	14%
207	Medical Insurance	10,390	7,869	18,259	172,856	170,748	2,108	152,489	11%
210	Unemployment Compensation	242	563	804	3,960	4,518	(558)	3,714	18%
212	Employer Medicare	2,533	3,186	5,719	39,901	41,632	(1,731)	35,913	14%
SUBTOTAL - Employer Taxes & Employee Benefits		37,912	43,073	80,985	608,772	621,221	(12,449)	540,235	13%

Memphis Merit Academy
Income Statement
As of Aug FY2025

		Actual		YTD	Budget & Forecast				
		Jul	Aug	Actual YTD	Approved Budget v1	Current Forecast	Approved Budget v1 vs. Current Forecast	Current Forecast Remaining	% Forecast Spent
Contracted Services									
305	Audit Services	-	-	-	27,500	27,500	-	27,500	0%
306	Bank Charges	66	-	66	3,566	3,566	-	3,500	2%
308	Consultants	-	2,500	2,500	-	17,500	(17,500)	15,000	14%
308.2	E-Rate Consultant	-	-	-	4,556	4,556	-	4,556	0%
308.3	Summer Operations Support	3,057	9,500	12,557	9,000	21,357	(12,357)	8,800	59%
308.6	Physical Education Contractor	-	3,907	3,907	50,000	50,000	-	46,093	8%
310	Afterschool Activities	2,500	-	2,500	14,210	14,210	-	11,710	18%
312	SEL Curriculum	-	-	-	6,687	6,687	-	6,687	0%
316	Contracts with Special Education Providers	-	-	-	16,860	16,860	-	16,860	0%
320	Dues & Memberships	2,910	148	3,058	2,274	3,058	(784)	-	100%
322	Evaluation & Testing	-	10,059	10,059	51,941	51,941	-	41,882	19%
324	Financial Services	8,369	8,369	16,739	99,476	99,476	-	82,737	17%
325	Fiscal Agent Charges	-	-	-	35,000	35,000	-	35,000	0%
328	Janitorial Services	1,533	3,317	4,850	6,658	6,658	-	1,808	73%
328.3	Pest Control	475	-	475	-	475	(475)	-	100%
330	Operating Lease Payments	86,703	15,000	101,703	905,416	905,416	-	803,713	11%
331	Legal Services	-	840	840	20,000	20,000	-	19,160	4%
335	Maintenance & Repair Services - Building	1,560	-	1,560	10,000	10,000	-	8,440	16%
340	Medical and Dental Services	-	-	-	50,000	50,000	-	50,000	0%
348	Postal Charges	-	-	-	2,354	2,354	-	2,354	0%
361	Permits	-	240	240	515	515	-	275	47%
375	Enrollment Platforms/SIS	2,045	-	2,045	45,445	45,445	-	43,400	4%
377	Field Trips	-	-	-	30,489	30,489	-	30,489	0%
378	Fundraising Expenses	-	-	-	1,758	1,758	-	1,758	0%
380	Internet & Website Fees	12,455	2,905	15,360	24,127	24,421	(294)	9,061	63%
383	Payroll Services	2,171	2,478	4,649	5,151	6,284	(1,133)	1,635	74%
384	Prior Year Expense - not accrued	100	-	100	-	100	(100)	-	100%
385	Security	-	1,319	1,319	65,000	103,619	(38,619)	102,300	1%
386	Sports	-	-	-	9,500	9,500	-	9,500	0%
387	Staff Recruiting	1,493	1,536	3,029	14,511	14,511	-	11,482	21%
388.1	Student Recruitment	7,350	-	7,350	47,400	47,400	-	40,050	16%
388.3	Parent Meetings	-	1,050	1,050	1,698	1,698	-	648	62%
391	Technology Services	-	353	353	75,750	77,749	(2,000)	77,397	0%
393	Transportation - Student	-	-	-	2,400	2,400	-	2,400	0%
399.1	Envision Ops	-	15,000	15,000	90,000	90,000	-	75,000	17%
399.2	Academic Consulting Services	-	5,000	5,000	70,000	70,000	-	65,000	7%
SUBTOTAL - Contracted Services		132,789	83,520	216,309	1,799,243	1,872,506	(73,263)	1,656,197	12%

**Memphis Merit Academy
Income Statement
As of Aug FY2025**

		Actual		YTD	Budget & Forecast				
		Jul	Aug	Actual YTD	Approved Budget v1	Current Forecast	Approved Budget v1 vs. Current Forecast	Current Forecast Remaining	% Forecast Spent
Supplies & Materials									
410	Custodial Supplies	500	3,677	4,177	41,072	41,072	-	36,895	10%
418.1	Copier Lease	1,307	2,626	3,933	60,000	60,000	-	56,067	7%
429	Response to Intervention	-	-	-	12,118	-	12,118	-	-
432	SPED Materials	-	-	-	8,400	8,400	-	8,400	0%
432.1	Library Books	-	-	-	5,000	-	5,000	-	-
435	Office Supplies	-	366	366	8,500	8,500	-	8,134	4%
449	Curriculum	-	35,559	35,559	51,100	51,100	-	15,541	70%
451	Uniforms	-	-	-	6,000	6,000	-	6,000	0%
452	Utilities	-	5,076	5,076	110,000	110,000	-	104,924	5%
452.2	Internet	-	-	-	8,600	8,600	-	8,600	0%
452.3	Waste	-	(533)	(533)	9,077	9,077	-	9,610	-6%
452.5	Cell Phone Service	-	1,206	1,206	3,091	3,091	-	1,885	39%
481	Instructional Supplies & Materials	1,130	15,536	16,665	102,408	102,408	-	85,742	16%
481.2	Printing Paper	-	-	-	14,124	14,124	-	14,124	0%
482	Enrichment Supplies	-	-	-	5,000	5,000	-	5,000	0%
482.1	Building Decorum	-	208	208	2,191	2,191	-	1,983	10%
482.2	Gifts & Awards	1,970	117	2,087	23,486	23,486	-	21,400	9%
492	Professional Development Supplies	7	3,790	3,797	164,000	164,000	-	160,203	2%
494	Equipment - Computers	-	-	-	10,658	25,200	(14,543)	25,200	0%
494.1	Student Computers	-	-	-	10,600	19,707	(9,107)	19,707	0%
499.1	Staff Gifts and Awards	2,065	2,350	4,415	18,791	19,618	(828)	15,203	23%
	SUBTOTAL - Supplies & Materials	6,979	69,977	76,956	674,215	681,574	(7,359)	604,618	11%
Other Charges									
506	Liability Insurance	9,027	-	9,027	58,466	58,466	-	49,438	15%
514	Depreciation	-	-	-	44,873	26,413	18,460	26,413	0%
533	Criminal Investigation of Applicants	-	632	632	1,288	1,571	(283)	940	40%
	SUBTOTAL - Other Charges	9,027	632	9,659	104,627	86,450	18,177	76,791	11%
Debt Service									
604	Hope Loan Interest	2,184	2,225	4,409	24,482	26,236	(1,753)	21,826	17%
	SUBTOTAL - Debt Service	2,184	2,225	4,409	24,482	26,236	(1,753)	21,826	17%
Capital Expenses									
711	Furniture & Fixtures	-	-	-	17,288	17,288	-	17,288	0%
	SUBTOTAL - Capital Expenses	-	-	-	17,288	17,288	-	17,288	0%
TOTAL EXPENSES		367,255	425,007	792,262	5,980,418	6,176,431	(196,013)	5,384,169	13%

Memphis Merit Academy

Current Forecast - Detail

As of Aug FY2025

		Current Forecast	Notes
REVENUE			
Charges for Current Services			
43518	Tuition - After School Program	22,850	
43519	Student Activity Fees	13,884	
SUBTOTAL - Charges for Current Services		36,734	
Other Local Revenues			
44146	E-Rate Funding	6,840	
	Ongoing reimbursements	6,840	
44570	Board Contributions	10,000	
44570	School Fundraisers	22,500	
	Development Campaign	20,000	
	Capital Campaign	2,500	
44570	Foundations	511,160	
	Miscellaneous Donations	5,000	
	Charter School Growth Fund Seed Funding	100,000	
	Summer Boost Grant	56,160	
	CSGF Lit	150,000	
	Pyramid Peak (Community Foundation of Greater Memphis)	200,000	
44990	Other Local Revenue	1,465	
44991	Other Local Revenue - Prior Years	9,225	
SUBTOTAL - Other Local Revenues		561,190	
State of Tennessee			
46510	TISA	5,379,873	
46790	Summer School Grant	45,578	
SUBTOTAL - State of Tennessee		5,425,451	
Federal Government			
47141	Title I - Grants to Local Education Agencies	239,168	
	Prelim Allocation	236,600	
	Family Engagement	2,568	
SUBTOTAL - Federal Government		239,168	
Other Sources - Non Revenue			
SUBTOTAL - Other Sources - Non Revenue		-	
TOTAL REVENUE		6,262,543	
EXPENSES			
Personnel			
104	Principal	268,000	
105	Supervisor-Director	153,000	
116	Teachers	1,201,997	
123	Guidance Personnel	65,353	
134	Instructional Coaching	206,557	
162	Clerical Personnel	212,569	
163	Interventionists (General Ed)	190,001	
166	Custodial Personnel	199,290	
169	Part-time Personnel	36,458	
172	Special Education Personnel	217,898	
174	Summer School Stipends	90,304	
181	Bonuses & Extra Pay	29,730	
SUBTOTAL - Personnel		2,871,156	
Employer Taxes & Employee Benefits			
201	Social Security	177,206	
204	State Retirement	227,117	
207	Medical Insurance	170,748	FY24: avg employer contr: \$3,672
210	Unemployment Compensation	4,518	
212	Employer Medicare	41,632	
SUBTOTAL - Employer Taxes & Employee Benefits		621,221	

Contracted Services

305	Audit Services	27,500	Audit and 990
306	Bank Charges	3,566	CC finance charges and other bank fees
308	Consultants	17,500	
	Afton Partners	15,000	
	General	2,500	Yes!
308.2	E-Rate Consultant	4,556	
	Baseline annual fees (Educational Consulting Assoc)	4,556	
308.3	Summer Operations Support	21,357	operations intern support
	Moving /Ribbon cutting Expenses	12,357	
	Cariina	9,000	
308.6	Physical Education Contractor	50,000	Sherika Fitness
310	Afterschool Activities	14,210	
	Developing Noble Men	9,135	
	General	5,075	
312	SEL Curriculum	6,687	
	Momentous Institute - Digital Changemaker Curriculum (K,2nd,4th)	2,284	
	Other	4,403	
316	Contracts with Special Education Providers	16,860	
320	Dues & Memberships	3,058	
	Tennessee Charter School Center	2,910	
	Other	148	
322	Evaluation & Testing	51,941	Curriculum Associates (iReady); Instructure; U Chicago Impact data mgmt
	iReady (Curriculum Associates)	30,000	
	Mastery Connect (Instructure)	10,059	
	NWEA MAP	7,312	
	Illuminate FastBridge (Renaissance)	4,570	
324	Financial Services	99,476	EdTec
325	Fiscal Agent Charges	35,000	Authorizer Fee
328	Janitorial Services	6,658	
	Floor - stripping & waxing x2/year	4,121	
	Misc & summer	2,538	
328.3	Pest Control	475	
330	Operating Lease Payments	905,416	
	Annual rent for 4089 American Way	675,416	
	Annual rent fo 4775 American Way	45,000	
	LLC Operating Gap (part of 4089 lease)	185,000	
331	Legal Services	20,000	Burch, Porter, & Johnson
335	Maintenance & Repair Services - Building	10,000	
340	Medical and Dental Services	50,000	Well Child Nurse
348	Postal Charges	2,354	
361	Permits	515	
375	Enrollment Platforms/SIS	45,445	SchoolMint; Schoolrunner; Seesaw, Deans List; Pikmykid
	Schoolrunner (SchoolMint)	11,157	
	Grow Video Hub (SchoolMint)	3,911	
	SchoolMint Charter - Application, Lottery, Re-Enrollment, Registr	11,023	
	SchoolMint - other	3,963	
	Bloomz	2,810	
	Deans List	10,536	
	Pikmykid	2,045	
377	Field Trips	30,489	
378	Fundraising Expenses	1,758	
380	Internet & Website Fees	24,421	
	General Monthly Fees	6,699	Board on Track, Zoom, general monthly subscription fees
	Zoom	1,800	
	Board on Track	10,091	
	Go Guardian	5,027	
	Swivl	804	
383	Payroll Services	6,284	
384	Prior Year Expense - not accrued	100	
385	Security	103,619	
386	Sports	9,500	
	Cheer	3,000	
	Basketball	1,500	
	Majorette	3,000	
	Soccer	750	
	Chess	500	
	Volleyball	750	
387	Staff Recruiting	14,511	Indeed
388.1	Student Recruitment	47,400	Taylor Wiz
	Taylor Wiz	32,400	
	additional recruitment	15,000	
388.3	Parent Meetings	1,698	Smore
391	Technology Services	77,749	Wired Tech Partners; 8x8; Comcast
	Wired Tech Partners - monthly fees	46,553	
	Wired Tech Partners - additional	16,844	
	8x8 VOIP	6,090	
	Comcast	1,236	
	Miscellaneous/computer repairs	7,027	
393	Transportation - Student	2,400	
	Summer Program buses	2,400	
399.1	Envision Ops	90,000	
399.2	Academic Consulting Services	70,000	
	The Learning Lounge	50,000	
	Literacy Mid-South	20,000	

SUBTOTAL - Contracted Services 1,872,506

Supplies & Materials

410	Custodial Supplies	41,072	
418.1	Copier Lease	60,000	DEX, Great American Financial Svcs
432	SPED Materials	8,400	
435	Office Supplies	8,500	
449	Curriculum	51,100	
	Math Curriculum	13,600	
	ELA Curriculum	12,500	
	Science Curriculum	12,500	
	Social Studies Curriculum	12,500	
451	Uniforms	6,000	
452	Utilities	110,000	
452.2	Internet	8,600	
		4089	6,000
	July/July FY25	2,600	
452.3	Waste	9,077	
	Monthly Waste	7,841	
	Shred-it	1,236	
452.5	Cell Phone Service	3,091	Verizon
481	Instructional Supplies & Materials	102,408	
	General	46,000	
	Generation Genius	1,300	
	Tennessee Book Co. student materials	9,500	
	BrainPop	425	
	Encore Data Products	3,563	
	Studies Weekly	3,500	
	Newsela	6,000	
	Curriculum Associates & Hand2Mind supplementary materials	13,000	
	Amplify	9,000	
	EPS Operations	4,020	
	School Specialty	4,900	
	Lions Clubs	1,200	
481.2	Printing Paper	14,124	
482	Enrichment Supplies	5,000	
482.1	Building Decorum	2,191	
482.2	Gifts & Awards	23,486	
492	Professional Development Supplies	164,000	
	Baseline Leadership Training	15,000	
	Array Education (Lit Program)	149,000	
494	Equipment - Computers	25,200	
	New Computers	5,200	
	FY25 New computers	20,000	
494.1	Student Computers	19,707	
	Chromebooks-3 yr lease (Oct 24-Sept 27)	3,207	
	Annual chromebooks	16,500	
499.1	Staff Gifts and Awards	19,618	

SUBTOTAL - Supplies & Materials 681,574

Other Charges

506	Liability Insurance	58,466	
	Monthly Cost	12,180	
	Umbrella	25,756	
	Additional Annual	20,530	
514	Depreciation	26,413	
533	Criminal Investigation of Applicants	1,571	

SUBTOTAL - Other Charges 86,450

Debt Service

604	Hope Loan Interest	26,236	
-----	--------------------	--------	--

SUBTOTAL - Debt Service 26,236

Capital Expenses

711	Furniture & Fixtures	17,288	
-----	----------------------	--------	--

SUBTOTAL - Capital Expenses 17,288

TOTAL EXPENSES

6,176,431

OPERATING INCOME

86,112

Memphis Merit Academy
Monthly Cash Forecast
As of Aug FY2025

	2024-25													Forecast	Remaining Balance
	Actuals & Forecast														
	Jul Actuals	Aug Actuals	Sep Forecast	Oct Forecast	Nov Forecast	Dec Forecast	Jan Forecast	Feb Forecast	Mar Forecast	Apr Forecast	May Forecast	Jun Forecast			
Beginning Cash	519,909	91,645	370,441	331,799	645,124	494,498	601,074	651,725	777,200	875,026	954,297	494,717			
REVENUE															
Charges for Current Services	-	-	3,673	3,673	3,673	3,673	3,673	3,673	3,673	3,673	3,673	3,673	36,734	-	
Other Local Revenues	16,830	58,672	200,000	250,000	-	11,250	-	-	-	-	-	24,437	561,190	-	
State of Tennessee	-	502,831	502,831	502,831	502,831	561,425	561,425	561,425	561,425	561,425	-	607,003	5,425,451	-	
Federal Government	-	-	19,886	24,346	24,367	24,367	24,367	24,367	24,367	24,367	24,367	24,367	239,168	-	
TOTAL REVENUE	16,830	561,504	726,390	780,850	530,871	600,715	589,465	589,465	589,465	589,465	28,040	659,481	6,262,543	-	
EXPENSES															
Personnel	178,363	225,580	216,139	231,039	232,561	232,561	232,561	232,561	232,561	232,561	237,661	387,005	2,871,156	-	
Employer Taxes & Employee Benefits	37,912	43,073	49,756	51,534	51,771	51,771	51,771	51,771	51,771	51,771	52,563	75,759	621,221	-	
Contracted Services	132,789	83,520	279,155	139,148	181,409	165,056	157,765	139,148	164,270	139,148	139,148	151,951	1,872,506	-	
Supplies & Materials	6,979	69,977	179,173	34,364	52,478	33,897	84,408	32,446	33,518	66,495	40,713	47,125	681,574	-	
Other Charges	9,027	632	6,947	5,859	7,989	5,859	7,313	3,069	4,523	15,224	12,538	7,471	86,450	-	
Debt Service	2,184	2,225	3,069	2,677	2,422	2,029	2,064	2,031	1,805	1,964	1,868	1,897	26,236	-	
Capital Expenses	-	-	17,288	-	-	-	-	-	-	-	-	-	17,288	-	
TOTAL EXPENSES	367,255	425,007	751,528	464,621	528,630	491,173	535,882	461,025	488,448	507,162	484,492	671,208	6,176,431	-	
Operating Cash Inflow (Outflow)	(350,425)	136,497	(25,138)	316,230	2,241	109,542	53,583	128,440	101,017	82,303	(456,452)	(11,727)	86,112	-	
Revenues - Prior Year Accruals	8,778	7,650	35,262	-	-	-	-	-	-	-	-	-	-	-	
Fixed Assets	-	-	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	6,603	-	
Expenses - Prior Year Accruals	(15,000)	(5,473)	(22,356)	-	-	-	-	-	-	-	-	-	-	-	
Accounts Payable - Current Year	(66,603)	(4,907)	(23,608)	-	-	-	-	-	-	-	-	-	-	-	
Loans Payable (Long Term)	(5,013)	145,028	(5,004)	(5,105)	(155,068)	(5,168)	(5,133)	(5,166)	(5,392)	(5,233)	(5,329)	(5,301)	-	-	
Ending Cash	91,645	370,441	331,799	645,124	494,498	601,074	651,725	777,200	875,026	954,297	494,717	484,293			
Days Cash on Hand	5	22	20	38	29	36	39	46	52	57	29	29			

Memphis Merit Academy
Monthly Cash Forecast
As of Aug FY2025

	2025-26													Forecast	Remaining Balance
	Actuals & Forecast														
	Jul Forecast	Aug Forecast	Sep Forecast	Oct Forecast	Nov Forecast	Dec Forecast	Jan Forecast	Feb Forecast	Mar Forecast	Apr Forecast	May Forecast	Jun Forecast			
Beginning Cash	484,293	(35,344)	42,709	(77,108)	56,350	125,907	308,989	437,598	642,422	818,274	975,131	522,773			
REVENUE															
Charges for Current Services	-	-	4,140	4,140	4,140	4,140	4,140	4,140	4,140	4,140	4,140	4,140	4,140	41,396	-
Other Local Revenues	-	-	-	-	-	10,000	-	-	-	-	-	-	26,840	36,840	-
State of Tennessee	-	566,648	566,647	566,648	566,648	632,678	632,678	632,678	632,678	632,678	-	678,256	6,108,236	-	
Federal Government	-	-	26,680	32,663	32,692	32,692	32,692	32,692	32,692	32,692	32,692	32,692	320,875	-	
TOTAL REVENUE	-	566,648	597,466	603,451	603,479	679,509	669,509	669,509	669,509	669,509	36,831	741,927	6,507,347	-	
EXPENSES															
Personnel	246,816	246,816	246,816	246,816	246,816	246,816	246,816	246,816	246,816	246,816	252,018	422,083	3,142,265	-	
Employer Taxes & Employee Benefits	54,949	54,949	54,949	54,949	54,949	54,949	54,949	54,949	54,949	54,949	55,759	82,259	687,507	-	
Contracted Services	142,891	83,295	254,858	124,857	167,489	151,930	143,753	124,857	151,075	124,857	124,857	140,176	1,734,896	-	
Supplies & Materials	56,683	78,790	149,388	32,259	51,274	31,620	82,713	29,936	31,134	64,893	38,292	45,332	692,315	-	
Other Charges	11,266	166	4,240	4,081	6,361	4,081	5,638	1,094	2,651	14,105	11,231	1,094	66,007	-	
Debt Service	1,803	1,829	1,794	1,703	1,725	1,636	1,655	1,619	1,431	1,547	1,462	1,475	19,678	-	
Capital Expenses	-	17,548	-	-	-	-	-	-	-	-	-	-	17,548	-	
TOTAL EXPENSES	514,408	483,393	712,045	464,665	528,615	491,031	535,523	459,272	488,057	507,167	483,620	692,419	6,360,216	-	
Operating Cash Inflow (Outflow)	(514,408)	83,256	(114,579)	138,785	74,864	188,478	133,986	210,237	181,452	162,342	(446,789)	49,508	147,131	-	
Revenues - Prior Year Accruals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fixed Assets	166	166	166	166	166	166	166	166	166	166	166	166	166	-	
Expenses - Prior Year Accruals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Accounts Payable - Current Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans Payable (Long Term)	(5,394)	(5,369)	(5,403)	(5,494)	(5,472)	(5,562)	(5,543)	(5,578)	(5,767)	(5,650)	(5,735)	(5,723)	-	-	
Ending Cash	(35,344)	42,709	(77,108)	56,350	125,907	308,989	437,598	642,422	818,274	975,131	522,773	566,724			
Days Cash on Hand	-2	2	-4	3	7	18	25	37	47	56	30	33			

Memphis Merit Academy
Balance Sheet
As of Aug FY2025

	Jun FY2024	Aug FY2025	YTD Change
ASSETS			
Cash Balance	519,909	370,441	(149,468)
Current Assets	717,548	701,120	(16,428)
Capital Assets	46,124	46,124	-
Other Assets	2,728,032	2,728,032	-
TOTAL ASSETS	4,011,612	3,845,717	(165,896)
LIABILITIES & EQUITY			
Accounts Payable	59,898	(1,971)	(61,869)
Accrued Accounts Payable	42,829	22,356	(20,473)
Credit Card Payable	-	(150)	(150)
Payroll Deductions Payable	35,221	25,729	(9,491)
Other Current Liabilities	136,251	136,251	-
Notes Payable	(700)	149,300	150,000
Other Liabilities	100,000	100,000	-
Long-Term Liabilities	3,524,208	3,514,223	(9,985)
Beginning Net Assets	969,405	113,906	(855,499)
Net Income (Loss) to Date	(855,499)	(213,928)	641,571
TOTAL LIABILITIES & EQUITY	4,011,612	3,845,717	(165,896)

Memphis Merit Academy

July/August 2024

Financial Update

WENDY BUTLER

09/17/24





Contents

- **FY25 Budget vs. Current Forecast**
- **FY25 Monthly Cash Projection**
- **FY25 Financial Dashboard**
- **Financial Summary**





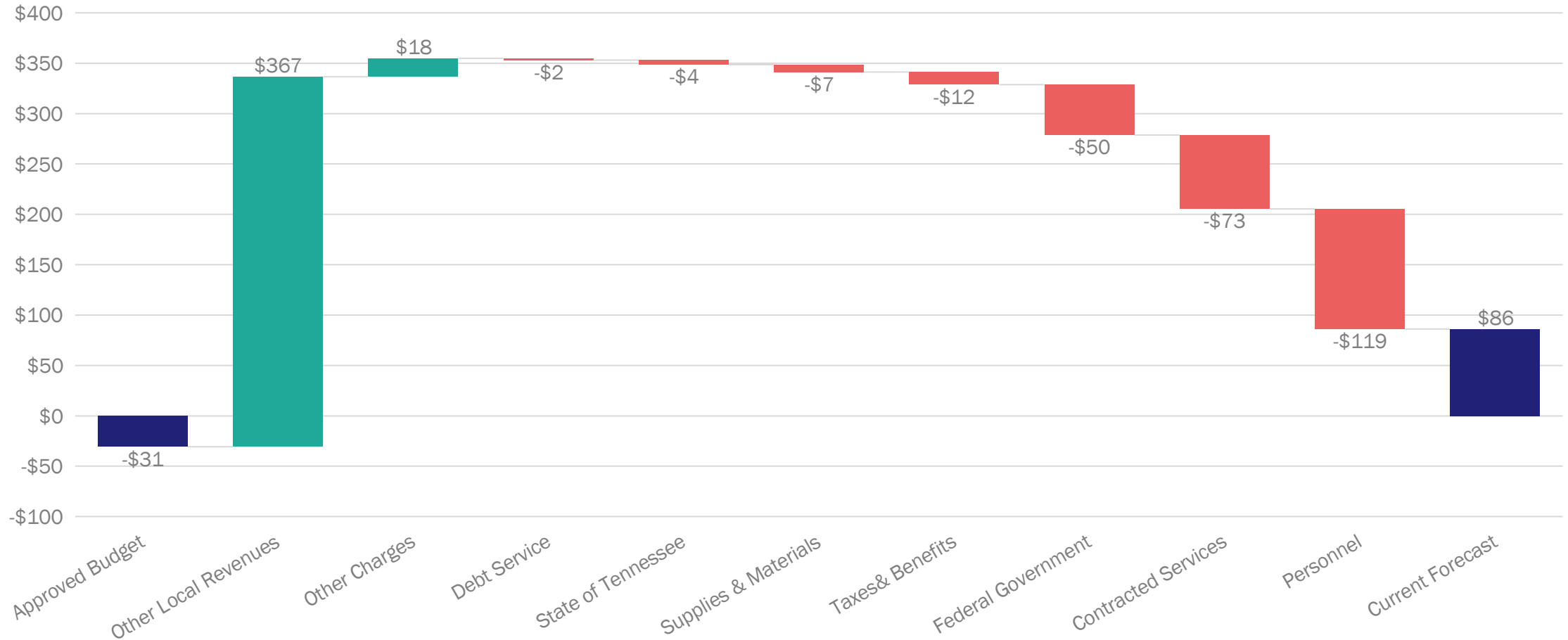
2024-25 Approved Budget vs. Current Forecast - Overview

		2024-25	2024-25	Variance
		Budget	Current Forecast	
Revenue	Charges for Current Services	36,734	36,734	-
	Other Local Revenues	193,800	561,190	367,390
	State of Tennessee	5,429,920	5,425,451	(4,468)
	Federal Government	289,165	239,168	(49,997)
	Total Revenue	5,949,618	6,262,543	312,925
Expenses	Personnel	2,751,790	2,871,156	(119,366)
	Employer Taxes & Employee Benefits	608,772	621,221	(12,449)
	Contracted Services	1,799,243	1,872,506	(73,263)
	Supplies & Materials	674,215	681,574	(7,359)
	Other Charges	104,627	86,450	18,177
	Debt Service	24,482	26,236	(1,753)
	Capital Expenses	17,288	17,288	-
	Total Expenses	5,980,418	6,176,431	(196,013)
Operating Income		(30,800)	86,112	116,912
	Beginning Balance (Unaudited)	332,481	113,906	(218,575)
	Operating Income	(30,800)	86,112	116,912
Ending Fund Balance (incl. Depreciation)		301,681	200,018	(101,663)
Ending Fund Balance as % of Expenses		5.0%	3.2%	-1.8%



2024-25 Forecast Update – Waterfall Chart

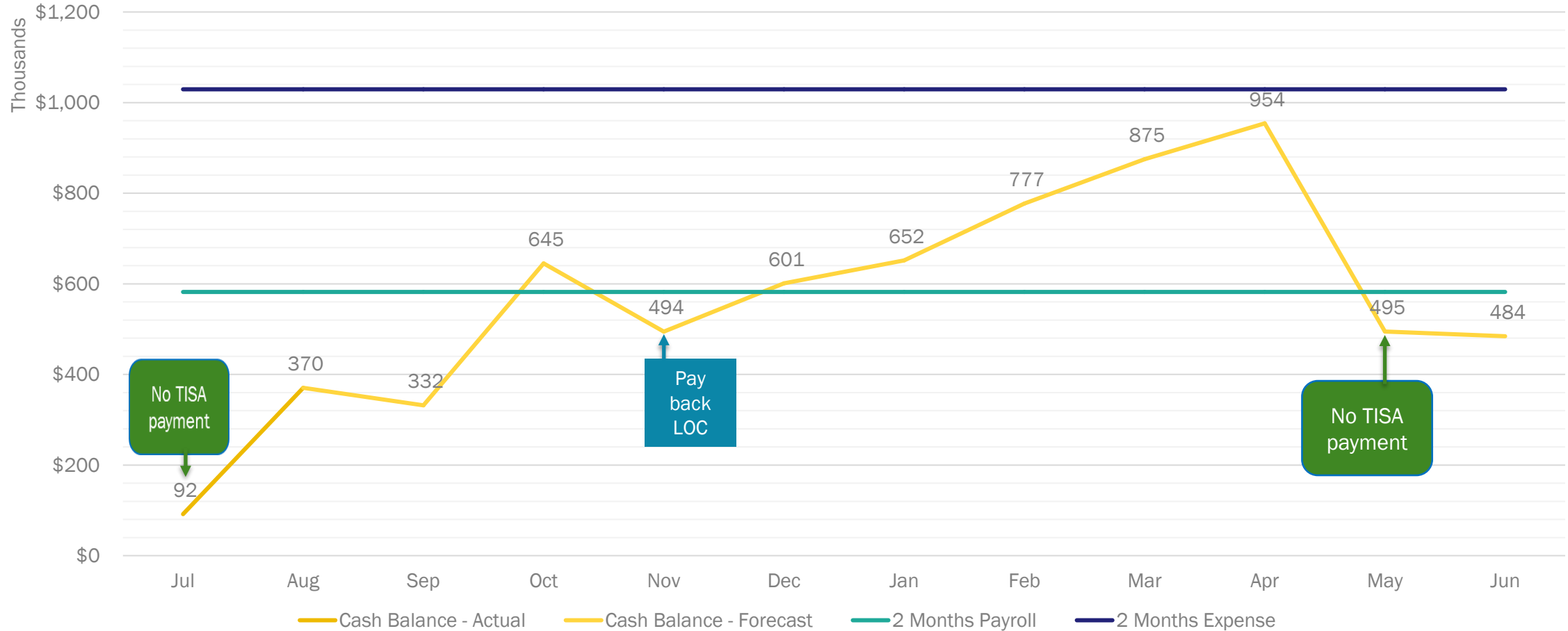
Foundations Revenue drives \$117K net operating income increase





2024-25 Monthly Cash Balance

Ended Aug with \$370K; projected to end FY25 with \$484K, or 29 DCOH





FY25 Key Measures Dashboard

				2024-25 Board Meetings		
	Metric	Target	Legend	Sept	Oct	Nov
Revenue	Enrollment	457	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="width: 15px; height: 15px; background-color: #28a745;"></div> >445 <div style="width: 15px; height: 15px; background-color: #ffc107;"></div> 430-445 <div style="width: 15px; height: 15px; background-color: #dc3545;"></div> <430 </div>	427		
	ADM	94.9% (433.86)	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="width: 15px; height: 15px; background-color: #28a745;"></div> >95% <div style="width: 15px; height: 15px; background-color: #ffc107;"></div> 90-95% <div style="width: 15px; height: 15px; background-color: #dc3545;"></div> <90% </div>			
	Fundraising (board contributions + corporate giving)	\$30,000	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="width: 15px; height: 15px; background-color: #28a745;"></div> >100% <div style="width: 15px; height: 15px; background-color: #ffc107;"></div> 80-100% <div style="width: 15px; height: 15px; background-color: #dc3545;"></div> <80% </div>	8.3%		
Expenses	Expense variance to budget (exc. dep)	> -5%	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="width: 15px; height: 15px; background-color: #28a745;"></div> >-4% <div style="width: 15px; height: 15px; background-color: #ffc107;"></div> -5% to -4% <div style="width: 15px; height: 15px; background-color: #dc3545;"></div> <-5% </div>	3.6%		
Ops	Uncategorized revenue & expense	<\$10,000	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="width: 15px; height: 15px; background-color: #28a745;"></div> <\$10,000 <div style="width: 15px; height: 15px; background-color: #ffc107;"></div> \$5K-\$10K <div style="width: 15px; height: 15px; background-color: #dc3545;"></div> >\$15,000 </div>	\$0		
Cash	Cash on hand (EOY)	60 days' expense	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="width: 15px; height: 15px; background-color: #28a745;"></div> >60 <div style="width: 15px; height: 15px; background-color: #ffc107;"></div> 45-60 <div style="width: 15px; height: 15px; background-color: #dc3545;"></div> <45 </div>	29		
Sustain-ability	Year-end fund balance (forecast)	20% of expenses	<div style="display: flex; flex-direction: column; gap: 5px;"> <div style="width: 15px; height: 15px; background-color: #28a745;"></div> >20% <div style="width: 15px; height: 15px; background-color: #ffc107;"></div> 15-20% <div style="width: 15px; height: 15px; background-color: #dc3545;"></div> <15% </div>	3.2%		



Monthly Financial Summary

Accomplishments

- Forecast showing positive operating income
- School started year meeting ADM target of 434
- Additional funding received from Pyramid Peak and Charter School Growth Fund

Next Steps

- Continue student recruitment to have at least 434 ADM
- Spend within budget to preserve cash
- Repay line of credit when cash can support

Goals & Horizon Issues

- Expand fundraising capacity
- Plan for future facility construction to ensure sustainability
- Complete year-end audit

Coversheet

Student Recruitment Contract

Section: III. Contract Approvals
Item: A. Student Recruitment Contract
Purpose: Vote
Submitted by:
Related Material:
Memphis_Merit_Academy_x_Taylor_Wiz_Marketing_Agreement__Premium_Suite_.pdf



Taylor Wiz Marketing Agreement

This Marketing Agreement (hereinafter "Agreement"), is made effective as of July 1, 2024, by and between the following parties:

Memphis Merit Academy, a corporation, incorporated under the laws of the state of Tennessee, hereinafter referred to as "Client," having an address at

Address: 4075 American Way, Memphis, TN 38118

Email: lbooker@memphismeritacademy.org

and Taylor Wiz Marketing a corporation, incorporated under the laws of the state of Florida, hereinafter referred to as "Marketer," having an address at

Address: 613 NW 3rd Ave, Fort Lauderdale, FL, 33311

Email: will@taylorwiz.com

The parties shall be referred to individually as "Party" and collectively as the "Parties."

RECITALS:

WHEREAS, Client is engaged in the following business (the "Business"):

Offering inbound marketing, social media, and lead outreach management services

WHEREAS, Marketer has expertise and experience in creating, overseeing, and operating successful social media marketing campaigns;

WHEREAS, Client would like to engage Marketer to create and/or manage certain Campaigns, as defined more fully below;

NOW, therefore, in consideration of the promises and covenants contained herein, the receipt and sufficiency of which is hereby acknowledged, the parties do agree as follows:

Article 1 - SCOPE:

This Agreement sets forth the terms and conditions whereby Marketer agrees to produce certain Campaigns, as described below, for Client. Marketer will be engaged solely and exclusively for the limited purpose of provision of the Campaigns.

Neither party is, by virtue of this Agreement, authorized as an agent, employee, or legal representative of the other. Except as specifically set forth herein, neither party shall have the



power to control the activities and operations of the other, and its status at all times will continue to be that of an independent contractor relationship.

Article 2 - DESCRIPTION OF SERVICES & WARRANTIES:

The Client hereby engages the Marketer, and the Marketer accepts such engagement to create and/or manage the following Campaigns:

Title: Digital Advertisements and Lead Outreach, Design & Social Media

Description:

1. Marketer is responsible for **(2)** onboarding sessions for Client, Client staff, or new employees utilizing the Marketer project management software. The Client must schedule additional sessions **(2)** business days in advance.
2. Marketer shall provide analytical data, related to paid advertisements, social media, or both, once per month for the Client. Meetings are to be conducted via Zoom, agreed upon, and scheduled by the Client **(2)** business days in advance or an agreed upon standing calendar meeting date. Marketers can exercise complete discretion to opt-out or deny any scheduled meeting outside of the conditions of the agreement without breaching agreement terms.
3. Marketer shall provide support to increase lead count exclusively via the Meta and/or Google Ads digital marketing services. Marketer will provide a full list of (100) consented leads if the agreement terms exceed **(180)** days. if the terms are less than **(180)** days, Marketer and Client must agree upon the amount of leads generated before the signing of the agreement terms.
4. Marketer shall contact each incoming Taylor Wiz-generated lead via an internal authenticated phone VoIP dialer line, email, or SMS/MMS to provide application and enrollment support. Marketer will manage, organize, create follow-up tasks, and efficiently retarget leads for improved conversion rates. Marketer shall use scripts and ensure consistency, compliance, clarity, efficiency, professionalism, record-keeping, and ongoing staff training and development in communication practices.
5. Marketer shall design and schedule a minimum **(10)** social media posts per month and max of **(20)** content requests, pending the client's approval. If the client does not respond to requests for approval within **(5)** business days of the assigned due date, the content may be scheduled/discarded at the Marketer's discretion.



Marketer represents and warrants that Marketer has the knowledge, skills, and experience necessary to be lawfully engaged for the purposes described above. Marketer agrees that any original copy provided within the Campaigns will be the sole and exclusive authorship of Marketer and that the copy will be free from plagiarism.

Marketer agrees to use reasonable care, as is considered standard in Marketer's industry, to ensure that all statements contained within the Campaigns are true and do not infringe upon the copyright, right of privacy, right of publicity, or any other proprietary right of any third party. Client acknowledges and agrees, however, that full and final verification for accuracy is Client's responsibility.

Article 3 - EDITS AND APPROVAL:

The deadline for the completed Campaign plans to be provided to the Client is as follows:

June 30, 2025. It is understood between the Parties that the Campaigns will evolve and change over time, but the deadline date above is for the provision of the initial completed Campaigns to Client.

The Client agrees not to alter unless the alterations are agreed upon by both parties in writing and notated within or upon this Agreement.

Marketer's fees include the following number of edit rounds per task delivery: 5. These edits include the following components:

1. Grammatical changes to copy on paid advertisements
2. Design and/or grammatical revisions to paid advertisements
3. Minor sentence revisions on META, Instagram, or Google Ad paid advertisements

If Marketer shall not hear from Client within the following specified number of days after submission of the shall be considered accepted with no further changes permitted: (7).

If the Client wishes to alter beyond the initial descriptions listed and beyond the included edits, Marketer will still be owed all fees invoiced before any additional edits are made. Marketer shall then invoice for additional edits, which will be determined at the time the edits are discussed.

Article 4 - INTELLECTUAL PROPERTY:

All intellectual property contained within the will become the intellectual property of Client, free and clear, as a work-made-for-hire.

Marketer may be engaged or employed in any other business, trade, profession, or other activity which does not place Marketer in a conflict of interest with the Client, provided, that, during the term, Marketer shall not be engaged in any business activities that compete with the business of the Client without the Client's prior written consent.



Article 5 - FEES AND EXPENSES:

Client will be billed through an invoicing system monthly in the amount of **\$3,500** (Three-thousand five hundred US dollars).

Payment will be made within the following amount of time after receipt of the invoice: NET 30. For past-due invoices, a late fee of the following will apply:

10% of the original invoice

Client agrees to reimburse pre-approved expenses and costs as indicated on invoices. Such expenses and costs shall be accompanied by receipts and reasonable supporting documentation. The Parties will agree on the expenses prior to the expenses being incurred.

In the event of overdue invoice payments, the Client agrees to the following provisions: **(1)** If invoices remain unpaid, we reserve the right to pause all tasks, projects, ads, landing pages, social media activities, and any other services provided until payment is received; **(2)** In the event that invoices are 15 days overdue, we are allowed to seize work completed up to that point and still receive payment for the credited month; **(3)** If payment is not received within NET 45, we have the right to pause all advertising campaigns and project activities. After 45 days, while projects are on hold, we maintain the option to continue the agreement until the end of the term while continuing to invoice or terminate the agreement; **(4)** The full month's bill amount will be applied when starting the first day of the new NET 30 period; **(5)** If the contract is terminated after the first day of the month's NET 30 period, the subsequent month's invoice must be paid in full after NET 30.

Taylor Wiz Marketing reserves the right to increase the pricing set forth herein by up to the CPI increase. "CPI Increase" Shall mean the percentage by which the CPI for the month. In which the renewal term begins exceeds the CPI for the month in which the prior term began.

Article 6 - TAXES:

Marketer herein acknowledges that they will receive an IRS Form 1099-MISC from the Client. Client shall not withdraw any applicable tax funds from any fees paid to Marketer. Marketer and Client shall each be solely responsible for all of the federal, state, and local taxes applicable to them.

Article 7 - MILESTONES:

All work must be completed by June 30, 2025.

Marketer agrees to the following milestones:

1. Marketer shall provide support to increase lead count exclusively via the Meta and or Google Ads digital marketing services. Marketer will provide a full list of (100) consented leads if the agreement terms exceed **(180)** days. If the terms are less than **(180)** days, Marketer and Client must agree upon the amount of leads generated before



the signing of the agreement terms.

2. Marketer shall design and schedule a minimum **(10)** social media posts per month and max of **(20)** content requests, pending the client's approval. If the client does not respond to requests for approval within **(5)** business days of the assigned due date, the content may be scheduled/discarded at the Marketer's discretion.

Article 8 - EXCLUSIVITY AND NON-COLLABORATION:

This Exclusivity and Non-Collaboration Clause ("Clause") is entered into between Client, hereinafter referred to as the "Client," and Taylor Wiz Marketing, hereinafter referred to as the "Marketer," collectively referred to as the "Parties.

1. Exclusivity:

- a. The Client agrees that during the term of this agreement, they shall not engage, directly or indirectly, with any other marketing company, agency, or similar service provider for marketing or advertising services that compete with or overlap the services provided by the Marketer.
- b. The Client shall exclusively utilize the marketing services of the Marketer for all its marketing and advertising needs as specified in the agreement.

2. Non-Collaboration:

- a. The Marketer agrees not to collaborate or engage in any form of professional relationship, directly or indirectly, with any other marketing company, agency, or similar service provider during the term of this agreement, which may result in a conflict of interest or compromise the quality of services provided to the Client.
- b. The Marketer shall not attend meetings, workshops, or share confidential information, strategies, or data with any other marketing company, agency, or similar service provider without the explicit written consent of the Client.

3. Confidentiality:

- a. The Marketer acknowledges and agrees to maintain strict confidentiality regarding all information shared by the Client, including but not limited to proprietary data, business plans, marketing strategies, customer lists, financial information, and any other sensitive or confidential information obtained during the course of the engagement.
- b. The Marketer shall not disclose, reproduce, or use any confidential information for any purpose other than providing the agreed-upon marketing services to the Client.



4. Termination:

- a. In the event of a breach of this Clause by either Party, the non-breaching Party shall have the right to terminate the agreement with immediate effect and seek any appropriate legal remedies.
- b. Upon termination of the agreement, the Client shall be released from any exclusivity obligations, and the Marketer shall be free to collaborate or engage with other marketing companies, agencies, or similar service providers. The client will be charged the full amount of the remaining time balance of the contract and is obligated to pay the remaining amount within a 14-day period.

5. Governing Law and Jurisdiction:

- a. This Clause shall be governed by and construed in accordance with the laws of Tennessee. Any disputes arising out of or in connection with this Clause shall be submitted to the exclusive jurisdiction of the courts of Tennessee.

Article 9 - CLIENT RESPONSIBILITIES:

As a valued client of Taylor Wiz Marketing, you agree to the following customer responsibilities in order to ensure effective collaboration and successful outcomes. By engaging our services, you acknowledge and accept the terms outlined below:

1. Active Utilization of Project Management Software, Asana:

- a. You agree to utilize Asana, our designated project management tool, for all assigned tasks and communication related to the marketing project. This includes providing timely feedback, sharing relevant information, and participating in project discussions within the platform. Any tasks not approved after two forms of communication or remaining overdue for **7 business days** will be marked as discarded. Consequently, associated related tasks will no longer be active. Furthermore, all requests must be submitted through the designated Form Links or discussed in person during scheduled meetings to ensure efficient workflow and clear communication channels.

2. Scripts, Data, Training and Development:

- a. You agree to provide lead outreach call scripts for marketers to manage, contact, and follow up with incoming leads. Establishing call scripts, ensures consistency, compliance, clarity, efficiency, professionalism, record-keeping, and ongoing staff training and development in communication practices. Providing authorization for Marketer to leverage cloud-based VoIP systems and allow access to enrollment, and application databases.

3. Feedback on Lead/Marketing Quality:

- a. You agree to provide feedback to Taylor Wiz Marketing on a bi-weekly or monthly basis regarding the quality of leads generated through our marketing



efforts. This feedback will assist us in optimizing our strategies and ensuring that the leads align with your business objectives. It is essential to share your observations, concerns, or suggestions in a timely manner to facilitate ongoing improvement and maximize the effectiveness of our collaboration.

4. **Communication**

- a. In order to ensure effective collaboration and maintain communication integrity within Asana, the client agrees to fulfill the following responsibilities: **(1)** Commit to communicating efficiently via Asana for all project-related tasks, discussions, and updates; **(2)** Understand and acknowledge that the marketing team will not communicate about projects via email, as Asana will serve as the primary platform for all project-related communication; **(3)** Utilize email solely for receiving project notifications and for high-priority communication when necessary. By adhering to these client responsibilities, the client contributes to streamlined communication, promotes transparency, and facilitates the successful execution of marketing tasks and projects.

By signing this agreement or engaging our services, you affirm that you have thoroughly read and understood the above customer responsibilities clause. You acknowledge that your compliance with these responsibilities is crucial to the smooth execution of the marketing project and the achievement of desired outcomes.

Article 10 - CLIENT LEGAL REQUIREMENTS:

It is the Client's sole and exclusive responsibility to ensure that all legal requirements for Client's business are met. Such legal requirements include, but are not limited to, ensuring claims on advertising and graphics are true, accurate, and may be legally stated, as well as ensuring all products and product sales are lawful. Marketer shall not be responsible for any legal, technical, or regulatory specifications.

Article 11 - TERMINATION:

The Parties may terminate this Agreement prior to the specified end date by giving notice in writing. Notice shall be given at least the following amount of time before termination: **14 days**.

This Agreement may be immediately terminated in the event that there is a breach of the terms by either Party.

If Client finds Marketer's work unsatisfactory, Marketer shall be given the following amount of time for one revision to cure: **14 days**. After this cure period, if Client still finds the work unsatisfactory, Marketer shall not be under any additional obligations. Client shall still be responsible for paying Marketer all due fees of the full agreement, and the Parties may terminate this Agreement.

This agreement will also immediately terminate upon the death of the Marketer or Client, the inability of the Marketer to perform the services because of a sudden and medically documented physical or mental disability, the liquidation, dissolution or discontinuance of the business of the



Client or Marketer in any manner, or the filing of any petition by or against the Client or Marketer under federal or state bankruptcy or insolvency laws.

Upon termination for any reason, all fees and reimbursements shall be paid and provided to the Marketer as they have accrued up to the date of agreed upon agreement end date.

Upon expiration or termination of this agreement, or at any other time upon the Client's written request, Marketer shall promptly after such expiration or termination:

1. Deliver to the Client all work (whether complete or incomplete) all created materials provided for Marketer's use by the Client;
2. Deliver to the Client all tangible documents and materials (and any copies) containing, reflecting, incorporating, or based on the Client's confidential or proprietary information, as discussed further elsewhere in this Agreement;
3. Permanently erase all of the confidential or proprietary information from any of the Marketer's computer systems; and
4. Certify in writing to the Client that Marketer has complied with the requirements of this clause.

Article 12 - CONFIDENTIAL OR PROPRIETARY INFORMATION:

Marketer hereby acknowledges and agrees that Marketer may receive confidential and/or proprietary information relating to Client's business. Such information may include, but will not be limited to, client lists, client notes, specifications, project information, plans, and/or technological resources. The confidential and/or proprietary information is significantly important to Client's business and it has been developed or obtained over time, with significant resources involved. Marketer understands and agrees that any unintended disclosure of any of the confidential and/or proprietary information would be significantly detrimental to Client. As such, Marketer agrees that they shall:

- a. Not disclose the confidential and/or proprietary information by any means not authorized by the Client to any third parties;
- b. Not copy or duplicate the confidential and/or proprietary information unless specifically directed to do so by the Client;
- c. Not disclose the confidential and/or proprietary information by any unauthorized means to any third parties for a period of at least one year following the termination of this agreement;
- d. Not use the confidential and/or proprietary information for any purpose except those expressly authorized by the Client;
- e. Inform Client immediately if Marketer becomes aware of any unauthorized use or disclosure of confidential and/or proprietary information.



Article 13 - PORTFOLIO USE:

Notwithstanding the specific rights of intellectual property outlined by this Agreement, Marketer shall be permitted to use all work in Marketer's professional portfolio, after such work has been made public by the Client. Nothing contained herein shall limit Marketer's such right.

The client agrees to the following provisions regarding the usage of marketing materials by Taylor Wiz Marketing: **(1)** Within the first three months of the contract, the client agrees to execute mandatory video testimonials, providing valuable feedback on their experience with the services rendered; **(2)** The client grants permission for Taylor Wiz Marketing to display their logo on the Taylor Wiz Marketing website as a client reference; **(3)** Taylor Wiz Marketing reserves the right to utilize the approved marketing materials, including video testimonials and the client's logo, for Taylor Wiz's and promotional activities on their website and social media platforms; **(4)** All forms of marketing materials used by Taylor Wiz Marketing are created and approved by the client, and the client acknowledges that Taylor Wiz Marketing shall not be held liable in any lawsuit arising from the use of said materials. By entering into this agreement, the client affirms their consent to the aforementioned provisions regarding the usage of marketing materials.

Article 14 - INDEMNIFICATION:

Marketer and Client shall each defend, indemnify, and hold the other harmless (including all affiliates, officers, directors, employees, agents, successors, and assigns) from and against all losses, damages, liabilities, deficiencies, actions, judgments, interest, awards, penalties, fines, costs, or expenses of whatever kind (including reasonable attorneys' fees) arising out of or resulting from bodily injury, death of any person, damage, real or intangible, to personal property resulting from the other's acts or omissions or the breach of any representation, warranty, or obligation under this Agreement.

Article 15 - SURVIVAL:

Any provision of this Agreement which by its terms imposes continuing obligations on either of the Parties shall survive termination of this Agreement.

Article 16 - DISPUTE RESOLUTION:

In case of a dispute between the Parties relating to or arising out of this Agreement, the Parties shall first attempt to resolve the dispute personally and in good faith. If these personal resolution attempts fail, the Parties shall then submit the dispute to binding arbitration. The arbitration shall be conducted in the county and state noted in the GOVERNING LAW provision of this Agreement. The arbitration shall be conducted by a single arbitrator, and such arbitrator shall have no authority to add Parties, vary the provisions of this Agreement, award punitive damages, or certify a class. The arbitrator shall be bound by applicable and governing federal law as well as the law of Tennessee. Each Party shall pay their own costs and fees. Claims necessitating arbitration under this section include, but are not limited to: contract claims, tort claims, claims based on federal and state law, and claims based on local laws, ordinances, statutes or regulations. Intellectual property claims by Marketer will not be subject to arbitration and may, as an



exception to this sub-part, be litigated. The Parties, in agreement with this sub-part of this Agreement, waive any rights they may have to a jury trial in regard to arbitral claims.

Article 17 - GOVERNING LAW:

This Agreement shall be governed by and construed in accordance with the internal laws of Tennessee without giving effect to any choice or conflict of law provision or rule. Each party irrevocably submits to the exclusive jurisdiction and venue of the federal and state courts located in the following county in any legal suit, action, or proceeding arising out of or based upon this Agreement or the work provided hereunder:

Shelby County.

Article 18 - BENEFIT:

This Agreement shall be binding upon and shall inure to the benefit of each of the parties hereto and to their respective heirs, representatives, successors, and assigns.

Article 19 - COUNTERPARTS:

This Agreement may be executed in counterparts, all of which shall constitute a single agreement. The Agreement shall be effective as of the date set forth above.

Article 20 - NOTICES:

All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the Parties at the addresses set forth on the first page of this Agreement. All notices shall be delivered by email or at the address which the parties may designate to each other through personal delivery, nationally recognized overnight courier (with all fees prepaid), or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only if (a) the receiving party has received the Notice and (b) the party giving the Notice has complied with the requirements of this Section.

Article 21 - FORCE MAJEURE:

Marketer is not liable for any failure to perform due to causes beyond its reasonable control including, but not limited to, acts of God, acts of civil authorities, acts of military authorities, riots, embargoes, acts of nature and natural disasters, and other acts which may be due to unforeseen circumstances.

Article 22 - HEADINGS:

Headings to this Agreement are for convenience only. Headings shall in no way affect the provisions themselves and shall not be construed in any way that would limit or otherwise affect the terms of this Agreement.



Article 23 - ENTIRE AGREEMENT; MODIFICATION:

The agreement embodies the entire agreement between the Client and Marketer relating to the subject matter hereof. This Agreement may be changed, modified or discharged only if agreed to in writing by both parties.

IN WITNESS WHEREOF, the Parties execute this Agreement as follows:

Client:

Representative Name: _____

Representative Signature: _____

Representative Title: _____

Client Business Name: _____

Date: _____ Initial: _____

Marketer:

Representative Name: William Rodriguez

Representative Signature: William Rodriguez

Representative Title: Founder & CEO

Marketer Name: Taylor Wiz Marketing

Date: 06 / 05 / 2024 Initial: WR

Coversheet

Student Computer Lease

Section: III. Contract Approvals
Item: B. Student Computer Lease
Purpose: Vote
Submitted by:
Related Material: American Capital -Student Computer Lease .pdf

American Capital

September 4, 2024

PLEASE RETURN ALL ORIGINAL SIGNED DOCUMENTS TO THE ADDRESS ABOVE.

PLEASE PRINT SINGLE SIDED!

Lakenna Booker
Memphis Merit Academy, Inc.
4075 American Way
Memphis, TN 38118

Dear Lakenna:

Thank you for choosing American Capital for your equipment leasing needs. Please have the authorized person sign the following documents for Schedule A and return all copies to my attention. For verification of original documents, please execute in blue ink:

Invoice for 1st payment: Make payable to KS State Bank and return with the signed documents.

Government Obligation Contract: Authorized signer signs on page 4 where indicated. An attest signature is required.

Exhibit A: for review, no signature required. Please print the equipment location(s) at the bottom.

Exhibit B: Authorized signer signs at the bottom where indicated.

Exhibit C: Please leave top portion blank. Authorized signer signs at the bottom.

Exhibit D: Authorized signer signs where indicated.

Exhibit E: Complete vendor information, Equipment and cost

Notice of Assignment: Authorized signer signs at the bottom where indicated.

Insurance Requirements: Complete the information at the bottom. Please forward a copy to the insurance company.

Debit Authorization: preferred – Optional

Credit Application: Authorized signer signs & dates at the bottom where indicated.

Articles of Incorporation: Please include your Articles of Incorporation with the document package

Thank you for your prompt attention in this matter. If you have any questions, please do not hesitate to call.

Sincerely,

Julie Bevan
(630)512-0066 ext. 120
jbevan@amcapfinance.com

INVOICE

DATE SENT: 08-28-2024

BILL TO:

MEMPHIS MERIT ACADEMY, INC.
 ATTN: ACCOUNTS PAYABLE
 4075 AMERICAN WAY
 MEMPHIS, TENNESSEE 38118

REMIT TO:

KS STATEBANK
 GOVERNMENT FINANCE DEPARTMENT
 PO BOX 1608
 MANHATTAN, KS 66505
 FOR INQUIRIES: (630) 512-0066

NOTE: The address listed above is for payments only

ACCOUNT NUMBER	INVOICE NUMBER	PAYMENT DATE	PAYMENT DUE DATE	TOTAL AMOUNT DUE
3363191	63191-10-2024	At Closing	At Closing	\$356.30

DESCRIPTION	AMOUNT
EQUIPMENT FINANCE AGREEMENT DATED AS OF OCTOBER 1, 2024 SEVENTY FIVE (75) HP CHROMEBOOK 11 G9 LAPTOPS AND THREE (3) TRIPP LITE CHARGING CARTS <p style="text-align: center;"><i>Additional interest will be assessed on any payment received after the due date.</i></p>	PAYMENT AMOUNT: \$356.30
	\$356.30
	TOTAL DUE



3363191%CONTRACT%10.01.2024

EFA Small Ticket VPA Firm Term

EQUIPMENT FINANCE AGREEMENT

Debtor

Memphis Merit Academy, Inc.
4075 American Way
Memphis, Tennessee 38118
Federal ID#: 82-2828471

Creditor

American Capital Financial Services, Inc.
2015 Ogden Avenue, Suite 400
Lisle, Illinois 60532
Federal ID#: 36-3735142

Dated as of October 1, 2024

This Equipment Finance Agreement dated as of the date listed above is between Creditor and Debtor listed directly above. Creditor is entering into this Equipment Finance Agreement with Debtor so that Debtor may purchase the Equipment described on Exhibit A. The Equipment Finance Agreement is subject to the terms and conditions set forth directly below.

I. Definitions

Section 1.01 Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Additional Schedule" refers to the proper execution of additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by the Creditor all of which relate to the financing of additional Equipment.

"Agreement" means this Equipment Finance Agreement and all Exhibits attached hereto, all addenda, modifications, schedules, refinancings, guarantees and all documents relied upon by Creditor prior to execution of this Agreement.

"Agreement Term" means the Original Term and all Renewal Terms.

"Commencement Date" is the date when Debtor's obligation to pay Finance Payments begins.

"Creditor" means the entity originally listed above as Creditor or any of its assignees.

"Debtor" means the entity listed above as Debtor.

"Equipment" means all of the items of Equipment listed on Exhibit A and all replacements, restorations, modifications and improvements.

"Exhibit" includes the Exhibits attached hereto, and any "Additional Schedule", whether now existing or subsequently created.

"Finance Payments" means the payments Debtor is required to make under this Agreement as set forth on Exhibit B.

"Original Term" means the period from the Commencement Date until the end of the budget year of Debtor.

"Partial Prepayment Date" means the first Finance Payment date that occurs on or after the earlier of (a) the twenty-four month (24) anniversary of the Commencement Date or (b) the date on which Debtor has accepted all the Equipment and all amounts have been disbursed from the Vendor Payable Account to pay for the Equipment.

"Purchase Price" means the total cost of the Equipment, including all delivery charges, installation charges, legal fees, financing costs, recording and filing fees and other costs necessary to vest full, clear legal title to the Equipment in Debtor, subject to the security interest granted to and retained by Creditor as set forth in this Agreement, and otherwise incurred in connection with the financing of this Equipment.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Debtor's Budget Year.

"State" means the state in which Debtor is located.

"Surplus Amount" means any amount on deposit in the Vendor Payable Account on the Partial Prepayment Date.

"Vendor Payable Account" means the separate account of that name established pursuant to Section X of this Agreement.

II. Debtor Warranties

Section 2.01 Debtor represents, warrants and covenants as follows for the benefit of Creditor or its assignees:

- Debtor is authorized under the Constitution and laws of the State to enter into this Agreement, and has used such authority to properly execute and deliver this Agreement. Debtor has followed all proper procedures of its governing body in executing this Agreement. The Officer of Debtor executing this Agreement has the authority to execute and deliver this Agreement. This Agreement constitutes a legal, valid, binding and enforceable obligation of the Debtor in accordance with its terms.
- Debtor has complied with all statutory laws and regulations which may be applicable to the execution of this Agreement.
- Debtor owns the Equipment and any additional collateral free and clear of any liens, and Debtor has not and will not, during the Agreement Term, create, permit, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment or additional collateral.
- Debtor warrants, as applicable, the purchase of any telecommunications and video surveillance services or equipment financed hereunder complies with 2 CFR § 200.216 and 2 CFR § 200.471.
- Debtor warrants that it understands and has complied with 2 CFR § 200.322 in relation to domestic preferences for procurements, as applicable.
- Debtor agrees to cooperate in providing all necessary information to facilitate Creditor's compliance with Customer Due Diligence Requirements for Financial Institutions as published by The Financial Crimes Enforcement Network ("CDD Rule"). Debtor agrees to notify Creditor of any changes to the required information, including but not limited to, changes in ownership or control of Debtor as defined in the CDD Rule, during the Original Term and any Renewal Term.

III. Acquisition of Equipment, Finance Payments and the Purchase Option Price

Section 3.01 Acquisition, Installation and Acceptance. Debtor shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. Creditor shall have no liability for any delay in delivery or failure by the supplier to deliver any Equipment or to fill any purchase order. Debtor will pay or cause the supplier to pay all transportation, packing, taxes, duties, insurance, installation, testing and other charges in connection with the delivery, installation and use of the Equipment. As soon as practicable after the receipt of the Equipment, Debtor shall furnish Creditor with a Payment Request and Equipment Acceptance Form. The Payment Request and Equipment Acceptance Form must be signed by the same authorized individual(s) who signed the Signature Card, Exhibit D. Regardless of whether Debtor has furnished a Payment Request and Equipment Acceptance Form pursuant to this Section, by making a Finance Payment after its receipt of the Equipment pursuant to this Agreement, Debtor shall be deemed to have accepted the Equipment on the date of such Finance Payment for purposes of this Agreement. All Finance Payments paid prior to delivery of the Payment Request and Equipment Acceptance Form shall be credited to Finance Payments as they become due as shown on the Finance Payment Schedule attached as Exhibit B hereto.

Section 3.02 Finance Payments. Debtor shall pay Finance Payments exclusively to Creditor or its assignees in lawful, legally available money of the United States of America. The Finance Payments shall be sent to the location specified by the Creditor or its assignees. The amount and date of each Finance Payment shall be paid as set forth on Exhibit B. Creditor shall have the option to charge interest at the highest lawful rate on any Finance Payment received later than the due date for the number of days that the Finance Payment(s) were late, plus any additional accrual on the outstanding balance for the number of days that the Finance Payment(s) were late. Creditor shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Finance Payment that is past due. The Finance Payments will be payable without notice or demand at the time and in the Amounts shown on Exhibit B. Furthermore, Debtor agrees to pay any fees associated with the use of a payment system other than check, wire transfer, or ACH.

Section 3.03 Finance Payments Unconditional. THE OBLIGATIONS OF DEBTOR TO MAKE FINANCE PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS AGREEMENT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE. Debtor understands and agrees that neither the manufacturer, seller or supplier of any Equipment, nor any salesman or other agent of any such manufacturer, seller or supplier, is an agent of Creditor. No salesman or agent of the manufacturer, seller or supplier of any Equipment is authorized to waive or alter any term or condition of this Agreement, and no representation as to Equipment or any other matter by the manufacturer, seller or supplier of any Equipment shall in any way affect Debtor's duty to pay the Finance Payments and perform its other obligations as set forth in this Agreement.

Section 3.04 Purchase Option Price. Upon thirty (30) days written notice, Debtor shall have the option to pay, in addition to the Finance Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Debtor on the Finance Payment date and no partial prepayments are allowed. If Debtor chooses this option and pays the Purchase Option Price to Creditor then Creditor will transfer any and all of its rights, title and interest in the Equipment to Debtor.

Section 3.05 Finance Term. The Finance Term of the Agreement shall be the Original Term and all Renewal Terms until all the Finance Payments are paid as set forth on Exhibit B, except as provided under Section 9.01 below.

Section 3.06 Disclaimer of Warranties. CREDITOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. CREDITOR SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY DEBTOR.

IV. Appropriation of Money

Section 4.01 Appropriation. Debtor shall be obligated to appropriate sufficient money to make all the Finance Payments for the Original Term and each successive Renewal Term as each payment comes due. If Debtor fails to make an appropriation of money to make any Finance Payment, then an Event of Default will be deemed to have occurred as set forth under Section IX below.

V. Insurance, Damage, Insufficiency of Proceeds, Indemnification

Section 5.01 Insurance. Debtor shall maintain both casualty insurance and liability insurance at its own expense with respect to the Equipment. Debtor shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the period when Debtor is required to make Finance Payments. Debtor shall provide Creditor with a Certificate of Insurance which lists the Creditor and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment.

- (a) Debtor shall insure the Equipment against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Creditor in an amount at least equal to the then applicable Purchase Price of the Equipment. Alternatively, Debtor may insure the Equipment under a blanket insurance policy or policies.
- (b) The liability insurance shall insure Creditor from liability and property damage in any form and amount satisfactory to Creditor.
- (c) Debtor may self-insure against the casualty risks and liability risks described above. If Debtor chooses this option, Debtor must furnish Creditor with a certificate and/or other documents which evidences such coverage.
- (d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Creditor and its assignees are named additional insureds and loss payees and that all losses are payable to Debtor and Creditor or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty (30) days advance notice to Creditor or its assignees. Debtor shall furnish to Creditor certificates evidencing such coverage throughout the Agreement Term.

Section 5.02 Damage to or Destruction of Equipment. Debtor assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Debtor will immediately report all such losses to all possible insurers and take the proper procedures to attain all insurance proceeds. At the option of Creditor, Debtor shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

Section 5.03 Insufficiency of Net Proceeds. If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Debtor shall, at the option of Creditor, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency to the Creditor.

Section 5.04 Reimbursement. To the extent permitted by law, Debtor shall protect, hold harmless and reimburse Creditor and its assignees from all liability, claims, damages and costs incurred by Creditor and its assignees which arose out of installation, operation, possession, storage, or use of any item of the Equipment. This would include all expenses, including attorney's fees, incurred by Creditor or its assignees in defending any claims or actions filed against them as well as any judgment entered against Creditor or its assignees.

Section 5.05 Debtor's Negligence. Debtor assumes all risks and liabilities for loss or damage to any Equipment, injury to or death of any person or damage to any property, and any cost recovery for removal and remediation actions related to the release or threatened release of hazardous substances under Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or any State or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by the Debtor.

VI. Title and Security Interest

Section 6.01 Title. Title to the Equipment shall vest in Debtor when Debtor acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Creditor in the event Debtor defaults under Section 9.01. If this event occurs, Debtor shall execute and deliver to Creditor such documents as Creditor may request to evidence the passage of legal title to the Equipment to Creditor.

Section 6.02 Security Interest. To secure the payment of all Debtor's obligations under this Agreement, as well as all other obligations, debts and liabilities, whether now existing or subsequently created, Debtor hereby grants to Creditor a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit A. Furthermore, Debtor agrees that any other Equipment securing any obligation(s) to Creditor, whether offered prior to or subsequent hereto, secures all obligations, debts and liabilities of every kind and character, plus interest thereon, whether now existing or hereafter arising. Debtor agrees that any Equipment listed on Exhibit A will remain personal property and will not become a fixture even if attached to real property. The security interest established by this section includes not only additions, attachments, repairs and replacements, to the Equipment but also all proceeds therefrom. Debtor authorizes Creditor to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the security interest created hereunder.

VII. Assignment

Section 7.01 Assignment by Creditor. All of Creditor's rights, title and/or interest in and to this Agreement may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees by Creditor at any time without the consent of Debtor. No such assignment shall be effective as against Debtor until the assignor shall have filed with Debtor written notice of assignment identifying the assignee. Debtor shall pay all Finance Payments due hereunder relating to such Equipment to or at the direction of Creditor or the assignee named in the notice of assignment. Debtor shall keep a complete and accurate record of all such assignments.

Section 7.02 Assignment by Debtor. None of Debtor's right, title and interest under this Agreement and in the Equipment may be assigned by Debtor unless Creditor approves of such assignment in writing before such assignment occurs.

VIII. Maintenance of Equipment

Section 8.01 Maintenance. Debtor shall keep the Equipment in good repair and working order. Creditor shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Debtor will be liable for all damage to the Equipment, other than normal wear and tear, caused by Debtor, its employees or its agents. Debtor shall pay for and obtain all permits, licenses and taxes related to the ownership, installation, operation, possession, storage or use of the Equipment. Debtor shall not during the term of this Agreement create, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment except those created by this Agreement. Debtor agrees that Creditor or its Assignee may execute any additional documents including financing statements, affidavits, notices and similar instruments, for an on behalf of Debtor which Creditor deems necessary or appropriate to protect its interest in the Equipment and in this Agreement. If the Equipment includes any titled vehicles or any other Equipment that carries a title, then the Debtor shall be responsible for obtaining such titles and also for ensuring that Creditor is listed as first Lienholder on all of the titles. The Equipment is and shall at all times be and remain personal property. Debtor shall allow Creditor to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01 Events of Default defined. The following events shall constitute an "Event of Default" under this Agreement:

- (a) Failure by Debtor to pay any Finance Payment listed on Exhibit B for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit B.
- (b) Failure to pay any other payment required to be paid under this Agreement at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Creditor that such payment must be made. If Debtor continues to fail to pay any payment after such period, then Creditor may, but will not be obligated to, make such payments and charge Debtor for all costs incurred plus interest at the highest lawful rate.
- (c) Failure by Debtor to observe and perform any warranty, covenant, condition, promise or duty under this Agreement for a period of thirty (30) days after written notice specifying such failure is given to Debtor by Creditor, unless Creditor agrees in writing to an extension of time. Creditor will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Debtor. Subsection (c) does not apply to Finance Payments and other payments discussed above.
- (d) Any statement, material omission, representation or warranty made by Debtor in or pursuant to this Agreement which proves to be false, incorrect or misleading on the date when made regardless of Debtor's intent and which materially adversely affects the rights or security of Creditor under this Agreement.
- (e) Any provision of this Agreement which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Creditor.
- (f) Debtor admits in writing its inability to pay its obligations. Debtor defaults on one or more of its other obligations. Debtor applies or consents to the appointment of a receiver or a custodian to manage its affairs. Debtor makes a general assignment for the benefit of creditors.

Section 9.02 Remedies on Default. Whenever any Event of Default exists, Creditor shall have the right to take one or any combination of the following remedial steps:

- (a) With or without terminating this Agreement, Creditor may declare all Finance Payments and other amounts payable by Debtor hereunder to the end of this Agreement to be immediately due and payable.

- (b) With or without terminating this Agreement, Creditor may require Debtor at Debtor's expense to redeliver any or all of the Equipment to Creditor to a location specified by Creditor. Such delivery shall take place within fifteen (15) days after the event of default occurs. If Debtor fails to deliver the Equipment, Creditor may enter the premises where the Equipment is located and take possession of the Equipment and charge Debtor for cost incurred. Debtor will be liable for any damage to the Equipment caused by Debtor or its employees or agents. Creditor shall be able to sell the Equipment and apply the proceeds towards the then applicable Purchase Option Price and Debtor shall be liable for any deficiency.
- (c) Creditor may retain all amounts credited to the Vendor Payable Account and Debtor shall have no further interest therein.
- (d) Creditor may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights. Debtor shall be responsible to Creditor for all costs incurred by Creditor in the enforcement of its rights under this Agreement including, but not limited to, reasonable attorney fees.

Section 9.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Creditor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

X. Vendor Payable Account

Section 10.01 Establishment of Vendor Payable Account. On the date that the Creditor executed this Agreement, which is on or after the date that the Debtor executes this Agreement, Creditor agrees to (i) make available to Debtor an amount sufficient to pay the total Purchase Price for the Equipment by establishing a separate, no-interest bearing account (the "Vendor Payable Account"), as agent for Debtor's account, with a financial institution that Creditor selects that is acceptable to Debtor (including Creditor or any of its affiliates) and (ii) to deposit an amount equal to such Purchase Price as reflected on Exhibit B in the Vendor Payable Account. Debtor hereby further agrees to make the representations, warranties and covenants relating to the Vendor Payable Account as set forth in Exhibit C attached hereto. Upon Debtor's delivery to Creditor of a Payment Request and Equipment Acceptance Form in the form set forth in Exhibit C attached hereto, Debtor authorizes Creditor to withdraw funds from the Vendor Payable Account from time to time to pay the Purchase Price, or a portion thereof, for each item of Equipment as it is delivered to Debtor. The Payment Request and Equipment Acceptance Form must be signed by an authorized individual acting on behalf of Debtor. The authorized individual or individuals designated by the Debtor must sign the Signature Card, Exhibit D, which will be kept in the possession of the Creditor.

Section 10.02 Down Payment. Prior to the disbursement of any funds from the Vendor Payable Account, the Debtor must either (1) deposit all the down payment funds that the Debtor has committed towards the purchase of the Equipment into the Vendor Payable Account or (2) Debtor must provide written verification to the satisfaction of the Creditor that all the down payment funds Debtor has committed towards the purchase of the Equipment have already been spent or are simultaneously being spent with the funds requested from the initial Payment Request and Equipment Acceptance Form. For purposes of this Section, the down payment funds committed towards the Equipment from the Debtor are the down payment funds that were represented to the Creditor at the time this transaction was submitted for credit approval by the Debtor to the Creditor.

Section 10.03 Disbursement upon Default. If an Event of Default occurs prior to the Partial Prepayment Date, the amount then on deposit in the Vendor Payable Account shall be retained by the Creditor and Debtor will have no interest therein.

Section 10.04 Surplus Amount. Any Surplus Amount then on deposit in the Vendor Payable Account on the Partial Prepayment Date shall, at Creditor's sole discretion, either a) be returned to Debtor, or b) be applied to pay on such Partial Prepayment Date a portion of the Purchase Option Price then applicable.

Section 10.05 Recalculation of Finance Payments. Should Creditor decide to apply the Surplus Amount to the then applicable Purchase Option Price as provided in Section 10.04 above, each Contract Payment thereafter shall be reduced by an amount calculated by Creditor based upon a fraction the numerator of which is the Surplus Amount and the denominator of which is the Purchase Option Price on such Partial Prepayment Date. Within 15 days after such Partial Prepayment Date, Creditor shall provide to Debtor a revised Exhibit B to this Contract, which shall take into account such payment of a portion of the Purchase Option Price thereafter and shall be and become thereafter Exhibit B to this Contract. Notwithstanding any other provision of this Section 10, this Contract shall remain in full force and effect with respect to all or the portion of the Equipment accepted by Debtor as provided in this Contract, and the portion of the principal component of Contract Payments remaining unpaid after the Partial Prepayment Date plus accrued interest thereon shall remain payable in accordance with the terms of this Contract, including revised Exhibit B hereto which shall be binding and conclusive upon Creditor and Debtor.

XI. Miscellaneous

Section 11.01 Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 11.02 Binding Effect. Debtor acknowledges this Agreement is not binding upon the Creditor or its assignees unless the Conditions to Funding listed on the Documentation Instructions have been met to Creditor's satisfaction, and Creditor has executed the Agreement. Thereafter, this Agreement shall inure to the benefit of and shall be binding upon Creditor and Debtor and their respective successors and assigns.

Section 11.03 Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.04 Amendments, Addenda, Changes or Modifications. This Agreement may be amended, added to, changed or modified by written agreement duly executed by Creditor and Debtor. Furthermore, Creditor reserves the right to directly charge or amortize into the remaining balance due from Debtor, a reasonable fee, to be determined at that time, as compensation to Creditor for the additional administrative expense resulting from such amendment, addenda, change or modification requested by Debtor.

Section 11.05 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.06 Captions. The captions or headings in this Agreement do not define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 11.07 Master Equipment Finance Agreement. This Agreement can be utilized as a Master Equipment Finance Agreement. This means that the Creditor and the Debtor may agree to the financing of additional Equipment under this Agreement at some point in the future by executing one or more Additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by Creditor. Additional schedules will be consecutively numbered on each of the exhibits which make up the Additional Schedule and all the terms and conditions of the Agreement shall govern each Additional Schedule.

Section 11.08 Entire Writing. This Agreement constitutes the entire writing between Creditor and Debtor. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Agreement or the equipment financed hereunder. Any terms and conditions of any purchase order or other documents submitted by Debtor in connection with this Agreement which are in addition to or inconsistent with the terms and conditions of this Agreement will not be binding on Creditor and will not apply to this Agreement.

Section 11.09 Acceptance of Obligation to Commence Finance Payments Under Exhibit B. By signing and attesting directly below, Debtor hereby warrants and certifies that: The Equipment described on Exhibit A has not been delivered, installed or available for use as of the Commencement date of this Agreement. Debtor acknowledges that Debtor has agreed to deposit into a Vendor Payable Account an amount sufficient to pay the total purchase price (the "Purchase Price") for the Equipment so identified in such Exhibit A; The principal amount of the Finance Payments in the Exhibit B accurately reflects the Purchase Price; Debtor agrees to execute a Payment Request and Equipment Acceptance Form authorizing payment of the Purchase Price, or portion thereof, for each withdrawal of funds from the Vendor Payable Account

Section 11.10 Debtor further warrants and certifies that: Debtor's obligation to commence Finance Payments as set forth in Exhibit B is absolute and unconditional as of the Commencement Date and on each date set forth in Exhibit B thereafter, subject to the terms and conditions of the Agreement; immediately upon delivery and acceptance of all the Equipment, Debtor will notify Creditor of Debtor's final acceptance of the Equipment by delivering to Creditor the Payment Request and Equipment Acceptance Form in the form set forth in Exhibit C attached to the Agreement; in the event that any Surplus Amount is on deposit in the Vendor Payable Account when an event of default under the Agreement occurs, then those amounts shall be applied as provided in Section 10 of the Agreement; regardless of whether Debtor delivers a final Payment Request and Equipment Acceptance Form, all Finance Payments paid prior to delivery of all the Equipment shall be credited to Finance Payments as they become due under the Agreement as set forth in Exhibit B.

Section 11.11 Resolution and Authorization. By signing and attesting directly below, Debtor hereby warrants and certifies that the Governing Body of the Debtor at either a special or regular meeting or through some other approved method of authorization has determined that this Agreement is in the best interests of the Debtor and the Governing Body did at such meeting or through some other approval method approve the entering into of the Agreement by the Debtor and specifically designated and authorized the individual(s) who have signed directly below to execute this Agreement on Debtor's behalf along with any related documents (including any Escrow Agreement) necessary to the consummation of the transaction contemplated by the Agreement.

Creditor and Debtor have caused this Agreement to be executed in their names by their duly authorized representatives listed below.

Memphis Merit Academy, Inc.

American Capital Financial Services, Inc.

Signature

Signature

Printed Name and Title

Printed Name and Title

Attested By Authorized Individual

Signature

Printed Name and Title

EXHIBIT A

DESCRIPTION OF EQUIPMENT

RE: Equipment Finance Agreement dated as of October 1, 2024, between American Capital Financial Services, Inc. (Creditor) and Memphis Merit Academy, Inc. (Debtor)

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

Thirty (30) HP Chromebook 11 G9 Laptops and One (1) Tripp Lite Charging Cart

Physical Address of Equipment after Delivery : 4075 American Way, Memphis, TN 38118

EXHIBIT B

PAYMENT SCHEDULE

RE: Equipment Finance Agreement dated as of October 1, 2024, between American Capital Financial Services, Inc. (Creditor) and Memphis Merit Academy, Inc. (Debtor)

Date of First Payment: At Closing
 Original Balance: \$10,658.60
 Total Number of Payments: Thirty-Six (36)
 Number of Payments Per Year: Twelve (12)

Pmt No.	Due Date	Finance Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	At Closing	\$356.30	\$0.00	\$356.30	Not Available
2	1-Nov-24	\$356.30	\$113.43	\$242.87	Not Available
3	1-Dec-24	\$356.30	\$110.76	\$245.54	\$10,382.96
4	1-Jan-25	\$356.30	\$108.06	\$248.24	\$10,104.45
5	1-Feb-25	\$356.30	\$105.32	\$250.98	\$9,823.85
6	1-Mar-25	\$356.30	\$102.56	\$253.74	\$9,541.15
7	1-Apr-25	\$356.30	\$99.77	\$256.53	\$9,256.33
8	1-May-25	\$356.30	\$96.94	\$259.36	\$8,969.38
9	1-Jun-25	\$356.30	\$94.09	\$262.21	\$8,680.28
10	1-Jul-25	\$356.30	\$91.20	\$265.10	\$8,389.01
11	1-Aug-25	\$356.30	\$88.28	\$268.02	\$8,095.56
12	1-Sep-25	\$356.30	\$85.33	\$270.97	\$7,799.91
13	1-Oct-25	\$356.30	\$82.34	\$273.96	\$7,502.04
14	1-Nov-25	\$356.30	\$79.33	\$276.97	\$7,201.94
15	1-Dec-25	\$356.30	\$76.28	\$280.02	\$6,899.59
16	1-Jan-26	\$356.30	\$73.20	\$283.10	\$6,594.98
17	1-Feb-26	\$356.30	\$70.08	\$286.22	\$6,288.09
18	1-Mar-26	\$356.30	\$66.93	\$289.37	\$5,978.90
19	1-Apr-26	\$356.30	\$63.74	\$292.56	\$5,667.39
20	1-May-26	\$356.30	\$60.52	\$295.78	\$5,353.55
21	1-Jun-26	\$356.30	\$57.26	\$299.04	\$5,037.36
22	1-Jul-26	\$356.30	\$53.97	\$302.33	\$4,718.80
23	1-Aug-26	\$356.30	\$50.64	\$305.66	\$4,397.85
24	1-Sep-26	\$356.30	\$47.28	\$309.02	\$4,074.50
25	1-Oct-26	\$356.30	\$43.87	\$312.43	\$3,748.72
26	1-Nov-26	\$356.30	\$40.43	\$315.87	\$3,420.50
27	1-Dec-26	\$356.30	\$36.96	\$319.34	\$3,089.83
28	1-Jan-27	\$356.30	\$33.44	\$322.86	\$2,756.68
29	1-Feb-27	\$356.30	\$29.88	\$326.42	\$2,421.03
30	1-Mar-27	\$356.30	\$26.29	\$330.01	\$2,082.87
31	1-Apr-27	\$356.30	\$22.66	\$333.64	\$1,742.17
32	1-May-27	\$356.30	\$18.98	\$337.32	\$1,398.92
33	1-Jun-27	\$356.30	\$15.27	\$341.03	\$1,053.10
34	1-Jul-27	\$356.30	\$11.51	\$344.79	\$704.69
35	1-Aug-27	\$356.30	\$7.72	\$348.58	\$353.67
36	1-Sep-27	\$356.30	\$3.88	\$352.42	\$0.00

Memphis Merit Academy, Inc.

Signature

Printed Name and Title

**Assumes all Finance Payments due to date are paid*

Please list the Source of Funds (Fund Item in Budget) for the Finance Payments that come due under Exhibit B of this Agreement.

Source of Funds : General Fund

If the above Source of Funds is solely a grant type fund, then the Debtor, by signing above, hereby authorizes the General Fund of the Debtor as a backup source of funds from which the Finance Payments can be made.

No amount hereby requested to be disbursed will be paid to Debtor as reimbursement for any expenditure paid by Debtor absent written compliance with customer due diligence requirements (CDD).

EXHIBIT D
SIGNATURE CARD

RE: Equipment Finance Agreement dated as of October 1, 2024, between American Capital Financial Services, Inc. (Creditor) and Memphis Merit Academy, Inc. (Debtor)

The below signatures will be used for purposes of verifying the signature on a Payment Request and Equipment Acceptance Form prior to making payments from the Equipment Acquisition Fund or Vendor Payable Account. By signing below, the undersigned represents and warrants that they have received all appropriate authority from Memphis Merit Academy, Inc..

Memphis Merit Academy, Inc.

Signature

Printed Name and Title

Signature of additional authorized individual (optional) of Debtor

Signature

Printed Name and Title

EXHIBIT E

DEBTOR ACKNOWLEDGEMENT

RE: Equipment Finance Agreement dated as of October 1, 2024, between American Capital Financial Services, Inc. (Creditor) and Memphis Merit Academy, Inc. (Debtor)

Debtor hereby acknowledges that it has ordered or caused to be ordered the equipment that is the subject of the above-mentioned Agreement.

Please complete the below information, attach another page if necessary...

Vendor Name: _____
Equipment: _____
Cost of Equipment: _____

Vendor Name: _____
Equipment: _____
Cost of Equipment: _____

Vendor Name: _____
Equipment: _____
Cost of Equipment: _____

Vendor Name: _____
Equipment: _____
Cost of Equipment: _____

Vendor Name: _____
Equipment: _____
Cost of Equipment: _____

Debtor will immediately notify Creditor if any of the information listed above is changed.

NOTICE OF ASSIGNMENT

OCTOBER 1, 2024

American Capital Financial Services, Inc. (Creditor/Assignor) hereby gives notice of an Assignment between Creditor/Assignor and KS StateBank (Assignee) of the Equipment Finance Agreement (Agreement) between Creditor/Assignor and Memphis Merit Academy, Inc., dated as of October 1, 2024.

In reference to an Assignment between American Capital Financial Services, Inc. (Creditor/Assignor) and KS StateBank (Assignee), all Finance Payments coming due pursuant to the Agreement shall be made to:

KS StateBank
P.O. Box 1608
Manhattan, Kansas 66505

American Capital Financial Services, Inc., Creditor/Assignor

Signature

Printed Name and Title

ACKNOWLEDGEMENT OF AND CONSENT TO ASSIGNMENT

Memphis Merit Academy, Inc. (Debtor) as party to an Equipment Finance Agreement dated as of October 1, 2024 between Debtor and American Capital Financial Services, Inc. (Creditor), hereby acknowledges receipt of a Notice of Assignment dated October 1, 2024 whereby Creditor gave notice of its assignment to KS StateBank of its right to receive all Finance Payments due from Debtor under the Agreement and hereby consents to that Assignment. Pursuant to the Notice of Assignment from Creditor, Debtor agrees to deliver all Finance Payments coming due under the Agreement to:

KS StateBank
P.O. Box 1608
Manhattan, Kansas 66505

Memphis Merit Academy, Inc.

Signature

Printed Name and Title



3363191%ACHAUTHORIZATION%10.01.2024

PREFERRED

*As an additional payment option for Obligor, we are now providing the option of ACH (Automatic Clearing House). By completing this form, Debtor is authorizing Creditor to withdraw said payment amount on said date.

DEBIT AUTHORIZATION

I hereby authorize KS StateBank Government Finance Department to initiate debit entries for the Payment Amount (including, but not limited to, any late fees, rate changes, escrow modifications, etc.). I acknowledge that KS StateBank Government Finance Department may reinitiate returned entries up to two additional times, to the account indicated below at the financial institution named below and to debit the same to such account for:

Agreement Number 3363191	Payment Amount \$356.30	Frequency of Payments Monthly
Beginning _____ Month Year	Day of Month Debits will be made according to Exhibit B of the Agreement	

I acknowledge that the origination of ACH transactions to this account must comply with the provisions of U.S. law.

Financial Institution Name		Branch	
Address	City	State	Zip
Routing Number		Account Number	

Type of Account Checking Savings

If the account does not have sufficient funds, KS StateBank Government Finance Department may attempt, but shall have no obligation to continue to attempt to deduct the payment from the account. If the account has insufficient funds when KS StateBank Government Finance Department attempts to deduct a payment, KS StateBank Government Finance Department may terminate the automatic deduction of payments upon notice to borrower and me. Until such time as payment is made, borrower shall be responsible to make such payments, and all other payments that may be due to KS StateBank Government Finance Department regarding the above-referenced loan.

This authority is to remain in full force and effect until KS StateBank has received written notification from any authorized signer of the account of its termination in such time and manner as to afford KS StateBank a reasonable opportunity to act on it.

Debtor Name on Agreement Memphis Merit Academy, Inc.	
Signature and Title	Printed Signature and Title
Tax ID Number 82-2828471	Date

PLEASE ATTACH COPY OF A VOIDED CHECK TO THIS FORM!

USA Patriot Act
USA Patriot Act requires identity verification for all new accounts. This means that we may require information from you to allow us to make a proper identification.



SIMPLE FUNDING PROGRAM FOR NONPROFIT TRANSACTIONS

Return completed application with required financial information.

Legal Name of Obligor: Memphis Merit Academy, Inc.		Fed. Tax ID #: 82-2828471	
Address: 4075 American Way			
City: Memphis	County:	State: TN	Zip: 38118
Contact Person: Lakenna Booker		Title: Founder and Head of School	
Phone: (901) 240-1009		Fax: ()	
Email Address:		Alt Contact Email Address:	
Alternative Contact Person:		Title:	Phone: ()
Date obligor was established: 2018		Does the obligor self-insure for property & liability insurance?	
Total Cost of Equipment/Project: \$27,089.94		Term (years): 36 months	
*Down Payment: \$		Source of Down Payment:	
Trade In: \$		Payment Amount: \$887.71	Delivery Date:
Other: \$		Payment Due:	<input checked="" type="checkbox"/> Advance <input type="checkbox"/> Arrears
Amount to Finance: \$		Payments:	<input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual
*Obligor's down payment should be made before or at delivery. Proof of down payment is required prior to payment of any contract proceeds, unless otherwise negotiated.			
Has the obligor paid, or does obligor intend to pay, a vendor for any portion of the equipment being financed with the intent of being reimbursed with proceeds from this financing? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
What fund will the remaining obligor payments be made from? <input checked="" type="checkbox"/> General <input type="checkbox"/> Special (specify)			
Will any federal monies be applied to the contract payments? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, explain.			
Equipment Description: (75) HP Chromebook 11 G9's with License and Extended Warranty (3) Tripp Lite Charging Carts			
New Equipment:		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If no, list age of equipment or date manufactured:
Refurbished:		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Year:
Replacement:		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Age of current equipment: 4 years+ Year purchased:
If not a replacement, why is the equipment needed?			
Buyout Included:		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Amount of buyout included: \$
Soft Costs Included:		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Amount of soft costs included (shipping, software, and sales tax): \$
Physical location of equipment after delivery: 4075 American Way			
Describe the essential use of the equipment: Technology for staff and students			
Has the obligor ever defaulted or non-appropriated on a lease, bond, or legal obligation?			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the project a building?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If yes, who owns the land?
What is the physical address of the new building/project?			

Financial Information Required

- Two (2) most recent tax returns WITH schedule of Debt Service Commitments (or audit), and**
- If the fiscal year end of the return (audit) is more than three (3) months ago, also provide current year-to-date Balance Sheet with Debt Service Commitments and Income Statement**
- For any fiscal year without a return (audit) provide comprehensive financial statements to include a Balance Sheet with Debt Service Commitments and an Income Statement**
- A copy of the Articles of Incorporation**

Completed By (signature):

Printed Name and Title:

Date:

- Additional financial information may be requested if deemed necessary during credit review.*
- By signing this application Obligor representative agrees to the following statement: "Everything stated in this application is correct to the best of my knowledge. I understand Obligee will retain this application whether or not it is approved. Obligor is authorized to verify any information on this application with an appropriate third party as necessary to complete the credit review process."*
- Please note that, depending on circumstances, we reserve the right to charge a reasonable fee to Obligor, if this transaction is not funded. This fee is for expenses incurred and services performed related to the processing of the transaction. This fee will NOT be charged if the transaction is funded by Obligee.*

Coversheet

MMARE Financials

Section: V. Other Business
Item: B. MMARE Financials
Purpose: Discuss
Submitted by:
Related Material: AUG2024 MMARE Financial Package.pdf
07.31.2024-AmWay-stmt.pdf
07.31.2024-AmWay-TaxAccrual.pdf
07.31.2024-AmWay-BudgetvsActual.pdf
901 Property Explanation July 2024.pdf



Monthly Financial Report

Memphis Merit Academy Real Estate
For the period ended August 31, 2024

Prepared by
KAMFi, PLLC

Prepared on
September 15, 2024

For management use only

Table of Contents

Statement of Activity	4
YTD Statement of Activity	5
Balance Sheet.....	6
Statement of Cash Flows.....	7

Statement of Activity

August 2024

	Aug 2024	Jul 2024 (PP)	Total Aug 2023 (PY)
REVENUE			
CAM Income	3,821.80	4,054.73	2,810.47
Insurance Income	157.86	138.30	98.72
Late Fees			50.00
Rent Income	15,563.23	86,261.57	95,815.35
Sign Income	378.38	189.19	181.61
Total Revenue	19,921.27	90,643.79	98,956.15
GROSS PROFIT	19,921.27	90,643.79	98,956.15
EXPENDITURES			
General & Administrative Expenses			
Bank Fees & Service Charges	55.00	70.00	15.00
Contract & professional fees			
Accounting fees	300.00	300.00	
Other contract services		1,350.00	
Total Contract & professional fees	300.00	1,650.00	
Interest paid	48,074.76	46,014.30	
Office supplies			139.48
Total General & Administrative Expenses	48,429.76	47,734.30	154.48
Operating Expenses			
Common Area Expenses			
CAM Utilities	7,540.16	6,309.59	3,634.81
Landscaping	1,445.10	1,445.10	2,945.10
Routine Maintenance	4,495.85	1,787.55	3,185.55
Security Expense	12,981.47	11,203.20	11,763.36
Total Common Area Expenses	26,462.58	20,745.44	21,528.82
Occupancy			
Repairs & Maintenance	125.00	577.50	787.00
Utilities	23,557.44	359.74	3,364.00
Total Occupancy	23,682.44	937.24	4,151.00
Taxes & Fees			
Management Fees	395.27	1,810.11	1,300.00
Property Taxes	1,512.21	1,544.28	4,630.15
Total Taxes & Fees	1,907.48	3,354.39	5,930.15
Total Operating Expenses	52,052.50	25,037.07	31,609.97
Total Expenditures	100,482.26	72,771.37	31,764.45
NET OPERATING REVENUE	-80,560.99	17,872.42	67,191.70
NET REVENUE	\$ -80,560.99	\$17,872.42	\$67,191.70

YTD Statement of Activity

July - August, 2024

	Total	
	Jul - Aug, 2024	Jul - Aug, 2023 (PY)
REVENUE		
CAM Income	7,876.53	5,147.30
Insurance Income	296.16	248.99
Late Fees		139.39
Rent Income	101,824.80	109,378.24
Sign Income	567.57	363.22
Total Revenue	110,565.06	115,277.14
GROSS PROFIT	110,565.06	115,277.14
EXPENDITURES		
General & Administrative Expenses		
Bank Fees & Service Charges	125.00	15.00
Contract & professional fees		
Accounting fees	600.00	
Other contract services	1,350.00	
Total Contract & professional fees	1,950.00	
Interest paid	94,089.06	
Office supplies		139.48
Total General & Administrative Expenses	96,164.06	154.48
Operating Expenses		
Common Area Expenses		
CAM Utilities	13,849.75	6,966.62
Landscaping	2,890.20	5,890.20
Routine Maintenance	6,283.40	5,514.10
Security Expense	24,184.67	35,870.64
Total Common Area Expenses	47,208.02	54,241.56
Occupancy		
Repairs & Maintenance	702.50	5,591.31
Utilities	23,917.18	6,418.00
Total Occupancy	24,619.68	12,009.31
Taxes & Fees		
Management Fees	2,205.38	2,600.00
Property Taxes	3,056.49	8,946.71
Total Taxes & Fees	5,261.87	11,546.71
Total Operating Expenses	77,089.57	77,797.58
Total Expenditures	173,253.63	77,952.06
NET OPERATING REVENUE	-62,688.57	37,325.08
NET REVENUE	\$ -62,688.57	\$37,325.08

Balance Sheet

As of August 31, 2024

	As of Aug 31, 2024	As of Aug 31, 2023 (PY)	Total
ASSETS			
Current Assets			
Bank Accounts			
MMARE - Operating x4164	93,526.77		
MMARE- Escrow x4073	37,877.96		73,307.19
Total Bank Accounts	131,404.73		73,307.19
Other Current Assets			
Due from 901Properties	-32,131.23		91,056.05
RE Management Reserve	0.00		30,000.00
Total Other Current Assets	-32,131.23		121,056.05
Total Current Assets	99,273.50		194,363.24
Fixed Assets			
Buildings	8,968,382.67		1,074,347.65
Construction in Progress	0.00		-202,839.47
Equipment	14,670.00		
Total Fixed Assets	8,983,052.67		871,508.18
TOTAL ASSETS	\$9,082,326.17		\$1,065,871.42
LIABILITIES AND EQUITY			
Liabilities			
Long-Term Liabilities			
BlueHub Capital Loan	8,796,572.55		755,615.38
Due to Memphis Merit Academy	94,369.47		189,369.47
Total Long-Term Liabilities	8,890,942.02		944,984.85
Total Liabilities	8,890,942.02		944,984.85
Equity			
Retained Earnings	254,072.72		83,561.49
Net Revenue	-62,688.57		37,325.08
Total Equity	191,384.15		120,886.57
TOTAL LIABILITIES AND EQUITY	\$9,082,326.17		\$1,065,871.42

Statement of Cash Flows

July - August, 2024

	Total
OPERATING ACTIVITIES	
Net Revenue	-62,688.57
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
Due from 901 Properties	32,131.23
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	32,131.23
Net cash provided by operating activities	-30,557.34
INVESTING ACTIVITIES	
Buildings	-646,947.55
Net cash provided by investing activities	-646,947.55
FINANCING ACTIVITIES	
BlueHub Capital Loan	213,173.92
Due to Memphis Merit Academy	-100,000.00
Net cash provided by financing activities	113,173.92
NET CASH INCREASE FOR PERIOD	-564,330.97
Cash at beginning of period	695,735.70
CASH AT END OF PERIOD	\$131,404.73

Rental Owner Statement

901 Properties
 9045 Forest Center Dr, STE 102
 Germantown, TN 38138



Statement period **6/28/2024 - 7/31/2024**

Statement date **8/1/2024**

Memphis Merit Academy Real Estate, LLC

Summary by property

	4089 American Way HSE	4089 American Way-African Braid	4089 American Way-Beautiful Nails	4089 American Way-Jackson Hewitt	4089 American Way-Merit Academy	4089 American Way-Red Diamond Event Hall	4089 American Way-Shekinah Glory Church	4089 American Way-Village Mart	4095 American Way-Magic Kidz	All properties
Beginning cash balance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
+ Additions to cash										
Income	0.00	0.00	2,787.12	2,304.44	71,701.33	2,000.00	2,552.00	6,984.68	2,669.94	90,999.51
Owner contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other additions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Subtractions from cash										
Expenses	23,582.68	0.00	51.62	42.99	8,854.03	40.00	51.04	137.03	53.40	32,812.79
Owner draws	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other subtractions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending cash balance	(\$23,582.68)	\$0.00	\$2,735.50	\$2,261.45	\$62,847.30	\$1,960.00	\$2,500.96	\$6,847.65	\$2,616.54	\$58,186.72
- Adjustments										
Property reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Available for payment	(\$23,582.68)	\$0.00	\$2,735.50	\$2,261.45	\$62,847.30	\$1,960.00	\$2,500.96	\$6,847.65	\$2,616.54	\$58,186.72

Rental Owner Statement

901 Properties
 9045 Forest Center Dr, STE 102
 Germantown, TN 38138



Statement period **6/28/2024 - 7/31/2024**

Statement date **8/1/2024**

Income statement

	4089 American Way HSE	4089 American Way-African Braid	4089 American Way-Beautiful Nails	4089 American Way-Jackson Hewitt	4089 American Way-Merit Academy	4089 American Way-Red Diamond Event Hall	4089 American Way-Shekinah Glory Church	4089 American Way-Village Mart	4095 American Way-Magic Kidz	All properties
Income										
Commercial Income - CAM Income (commercial)	0.00	0.00	443.34	356.11	0.00	307.37	0.00	1,568.41	528.38	3,203.61
Commercial Income - Insurance Income (commercial)	0.00	0.00	79.16	59.14	0.00	0.00	0.00	0.00	0.00	138.30
Commercial Income - Previous Year CAM Reconciliation (commercial)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	851.12	0.00	851.12
Commercial Income - Rent Income (commercial)	0.00	0.00	2,137.50	1,604.37	71,701.33	1,692.63	2,552.00	4,432.18	2,141.56	86,261.57
Commercial Income - Sign Income	0.00	0.00	0.00	189.19	0.00	0.00	0.00	0.00	0.00	189.19
Commercial Income - Tax Income (commercial)	0.00	0.00	127.12	95.63	0.00	0.00	0.00	132.97	0.00	355.72
Total income	\$0.00	\$0.00	\$2,787.12	\$2,304.44	\$71,701.33	\$2,000.00	\$2,552.00	\$6,984.68	\$2,669.94	\$90,999.51
Expense										
Commercial Management Fees - Monthly Management Fees (commercial)	0.00	0.00	51.62	42.99	1,434.03	40.00	51.04	137.03	53.40	1,810.11
Commercial Unit Expenses (NR) - Unit Repairs (NR)	0.00	0.00	0.00	0.00	7,420.00	0.00	0.00	0.00	0.00	7,420.00
Commercial Vacant Expenses (NR) - Vacant Repairs (NR)	440.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	440.00
Commercial Vacant Expenses (NR) - Vacant Utilities (NR)	359.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	359.74
Locksmith (commercial)	137.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	137.50
Recoverable Expenses - Bulk Trash / Dumpster (R)	3,447.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,447.58
Recoverable Expenses - CAM Utilities (R)	2,862.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,862.01
Recoverable Expenses - Landscaping - Routine Maintenance (R)	1,445.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,445.10
Recoverable Expenses - Lighting - Inspections (R)	379.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	379.00
Recoverable Expenses - Parking Lot - Sweeping (R)	1,408.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,408.55
Recoverable Expenses - Property Tax Accrual	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,900.00
Recoverable Expenses - Security / Alarm (R)	11,203.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,203.20
Total expenses	\$23,582.68	\$0.00	\$51.62	\$42.99	\$8,854.03	\$40.00	\$51.04	\$137.03	\$53.40	\$32,812.79
Net income	(\$23,582.68)	\$0.00	\$2,735.50	\$2,261.45	\$62,847.30	\$1,960.00	\$2,500.96	\$6,847.65	\$2,616.54	\$58,186.72

	12 MONTH FY '25 BUDGET	ONE MONTH BUDGET	ACTUAL 07.01.24-07.31.24	Over (under) Budget
<u>4089 AMERICAN WAY</u>				
BASE RENT (brr) <i>(included surplus payment from MMA)</i>	\$ 1,041,159.04	\$ 86,763.25	\$ 86,261.57	\$ (501.68)
CAM RECOVERY - BILLINGS (cam)	46,788.88	3,899.07	4,054.73	155.66
INSURANCE RECOVERY - BILLINGS (ins)	3,838.37	319.86	138.30	(181.56)
TAX RECOVERY - BILLINGS (ret)	7,508.05	625.67	355.72	(269.95)
MAJOR REPAIR INCOME (rmr)	369.12	30.76	-	(30.76)
PYLON SIGN PROGRAM (sgn)	2,092.68	174.39	189.19	14.80
TOTAL INCOME	1,101,756.14	91,813.01	90,999.51	(813.50)
MANAGEMENT FEES	21,884.96	1,823.75	1,810.11	(13.64)
LANDSCAPING - ONSITE	17,341.20	1,445.10	1,445.10	-
SWEEPING & PORTERING	16,902.60	1,408.55	1,408.55	-
SNOW REMOVAL	1,000.00	83.33	-	(83.33)
TRASH REMOVAL	9,730.80	810.90	3,447.58	2,636.68
STRIPING	3,000.00	250.00	-	(250.00)
PARKING LOT REPAIRS	5,300.00	441.67	-	(441.67)
SIGNAGE REPAIR	425.00	35.42	-	(35.42)
SECURITY - CONTRACT	109,200.00	9,100.00	11,203.20	2,103.20
SECURITY - EQUIPMENT	20,040.00	1,670.00	-	(1,670.00)
PRESSURE WASHING	5,000.00	416.67	-	(416.67)
LIGHTING-LIGHT BULBS	4,548.00	379.00	379.00	-
FIRE PROTECTION	1,760.00	146.67	-	(146.67)
REPAIRS	13,000.00	1,083.33	-	(1,083.33)
UTILITIES <i>combined</i>	36,211.00	3,017.58	2,862.01	(155.57)
TOTAL CAM EXPENSE	265,343.56	22,111.96	22,555.55	443.59
LIABILITY	1,923.90	160.33	-	(160.33)
PROPERTY	32,211.30	2,684.28	-	(2,684.28)
TOTAL INSURANCE	34,135.20	2,844.60	-	(2,844.60)
RE TAXES - CITY OF MEMPHIS	10,162.91	846.91	950.00	103.09
RE TAXES - SHELBY COUNTY	12,752.37	1,062.70	950.00	(112.70)
REAL ESTATE TAXES	22,915.28	1,909.61	1,900.00	(9.61)
SIGNAGE	500.00	41.67	-	(41.67)
PLUMBING	250.00	20.83	-	(20.83)
HVAC (LANDLORD)	1,400.00	116.67	-	(116.67)
VACANT UTILITIES <i>combined</i>	2,733.80	227.82	359.74	131.92
FIRE PROTECTION	1,440.00	120.00	-	(120.00)
VACANT SPACE - REKEYING/CLEANING	1,000.00	83.33	577.50	494.17
PROF FEES - STATUTORY REPRESENTATION	110.00	9.17	-	(9.17)
GENERAL UNIT REPAIRS	-	-	7,420.00	7,420.00
TOTAL NON-REIMBURSABLE EXPENSE	7,433.80	619.48	8,357.24	7,737.76
NET OPERATING INCOME	771,928.30	64,327.36	58,186.72	(6,140.64)
INTEREST PAYMENTS	675,416.00	56,284.67	-	(56,284.67)
PRINCIPLE	-	-	-	-
TOTAL DEBT EXPENSE	675,416.00	56,284.67	-	(56,284.67)
NET INCOME	\$ 96,512.30	\$ 8,042.69	\$ 58,186.72	\$ 50,144.03

	12 MONTH FY '25 BUDGET	ONE MONTH BUDGET	ACTUAL 07.01.24-07.31.24	Over (under) Budget
<u>4089 AMERICAN WAY</u>				
BASE RENT (brr) <i>(included surplus payment from MMA)</i>	\$ 1,041,159.04	\$ 86,763.25	\$ 86,261.57	\$ (501.68)
CAM RECOVERY - BILLINGS (cam)	46,788.88	3,899.07	4,054.73	155.66
INSURANCE RECOVERY - BILLINGS (ins)	3,838.37	319.86	138.30	(181.56)
TAX RECOVERY - BILLINGS (ret)	7,508.05	625.67	355.72	(269.95)
MAJOR REPAIR INCOME (rmr)	369.12	30.76	-	(30.76)
PYLON SIGN PROGRAM (sgn)	2,092.68	174.39	189.19	14.80
TOTAL INCOME	1,101,756.14	91,813.01	90,999.51	(813.50)
MANAGEMENT FEES	21,884.96	1,823.75	1,810.11	(13.64)
LANDSCAPING - ONSITE	17,341.20	1,445.10	1,445.10	-
SWEEPING & PORTERING	16,902.60	1,408.55	1,408.55	-
SNOW REMOVAL	1,000.00	83.33	-	(83.33)
TRASH REMOVAL	9,730.80	810.90	3,447.58	2,636.68
STRIPING	3,000.00	250.00	-	(250.00)
PARKING LOT REPAIRS	5,300.00	441.67	-	(441.67)
SIGNAGE REPAIR	425.00	35.42	-	(35.42)
SECURITY - CONTRACT	109,200.00	9,100.00	11,203.20	2,103.20
SECURITY - EQUIPMENT	20,040.00	1,670.00	-	(1,670.00)
PRESSURE WASHING	5,000.00	416.67	-	(416.67)
LIGHTING-LIGHT BULBS	4,548.00	379.00	379.00	-
FIRE PROTECTION	1,760.00	146.67	-	(146.67)
REPAIRS	13,000.00	1,083.33	-	(1,083.33)
UTILITIES <i>combined</i>	36,211.00	3,017.58	2,862.01	(155.57)
TOTAL CAM EXPENSE	265,343.56	22,111.96	22,555.55	443.59
LIABILITY	1,923.90	160.33	-	(160.33)
PROPERTY	32,211.30	2,684.28	-	(2,684.28)
TOTAL INSURANCE	34,135.20	2,844.60	-	(2,844.60)
RE TAXES - CITY OF MEMPHIS	10,162.91	846.91	950.00	103.09
RE TAXES - SHELBY COUNTY	12,752.37	1,062.70	950.00	(112.70)
REAL ESTATE TAXES	22,915.28	1,909.61	1,900.00	(9.61)
SIGNAGE	500.00	41.67	-	(41.67)
PLUMBING	250.00	20.83	-	(20.83)
HVAC (LANDLORD)	1,400.00	116.67	-	(116.67)
VACANT UTILITIES <i>combined</i>	2,733.80	227.82	359.74	131.92
FIRE PROTECTION	1,440.00	120.00	-	(120.00)
VACANT SPACE - REKEYING/CLEANING	1,000.00	83.33	577.50	494.17
PROF FEES - STATUTORY REPRESENTATION	110.00	9.17	-	(9.17)
GENERAL UNIT REPAIRS	-	-	7,420.00	7,420.00
TOTAL NON-REIMBURSABLE EXPENSE	7,433.80	619.48	8,357.24	7,737.76
NET OPERATING INCOME	771,928.30	64,327.36	58,186.72	(6,140.64)
INTEREST PAYMENTS	675,416.00	56,284.67	-	(56,284.67)
PRINCIPLE	-	-	-	-
TOTAL DEBT EXPENSE	675,416.00	56,284.67	-	(56,284.67)
NET INCOME	\$ 96,512.30	\$ 8,042.69	\$ 58,186.72	\$ 50,144.03



Lakenna Booker <lbooker@memphismeritacademy.org>

July 2024 - 4089 American Way monthly statements

1 message

Whitney Stone <wstone@901properties.com>

Mon, Aug 5, 2024 at 2:36 PM

To: Lakenna Booker <lbooker@memphismeritacademy.org>, Kyle McGowan CPA <kyle@kamfinsvcs.com>

Cc: Brook Loper <bwloper@901properties.com>

Good afternoon! I hope all is well!

I have attached the monthly statements for 4089 American Way for the month of July 2024.

- We received \$90,999.51 in income. This is about \$40,000.00 high than usual, due to the rent amount for Merit Academy increasing per the lease agreement.
- The total expenses were higher than normal. There is an expense for unit repairs for \$7,420.00 for Merit Academy. This was the expense to build the wall for storage space.
- The Bulk Trash / Dumpster expense was also high, due to delayed billing by Waste Connections.
- The total expenses were \$32,812.79, leaving a net income of \$58,186.72.
- The property tax accrual balance is \$19,000. The City of Memphis property taxes are due August 31 and the amount due is \$11,784.63. 901 Properties will make this payment on your behalf and you will see that amount deducted on the tax accrual transaction report next month.

Regarding the budget vs actual report: The report looks a little different this month, due to the new fiscal year and a slight change in the template. The first column is the full fiscal year budget and those numbers are the numbers from the budget that we sent to you for the fiscal year. The second column is the amounts extrapolated for a monthly budget. The third column is the actual expenses for the month, and the fourth column shows if the property was over or under budget for that particular line item.

- The property was under budget for income. We expected to have \$91,813.01 in income, but only received \$90,999.51.
- The Net Operating Income, which is the net income **before** the mortgage payment, was under by \$6,140.64.

The budget vs actual does seem a little skewed, because we, 901 Properties, do not pay the insurance or the mortgage. Because those numbers are included in the budget, but we do not pay them, the budget vs actual is not a true representation of the numbers.

If you and the board would like us to start making the payments to insurance and/or the mortgage, we certainly can do that, but we will need all the contact information, account information, payment amounts, and where payments are to be sent.

Your payment for July was initiated with our bank on Friday, August 2. You should have already received your deposit.

Please let me know if you have any questions or concerns!

Whitney

Whitney Stone | Director of Accounting

office 901.443.5115

9045 Forest Centre Dr, Suite 102 | Germantown, TN 38138

www.901properties.com

901PROPERTIES

3 attachments

 **07.31.2024-AmWay-stmt.pdf**
56K

 **07.31.2024-AmWay-TaxAccrual.pdf**
628K

 **07.31.2024-AmWay-BudgetvsActual.pdf**
628K