

Fill in this information to identify your case:

United States Bankruptcy Court for the:

SOUTHERN DISTRICT OF OHIO

Case number (if known) Chapter 11

Check if this an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

4/16

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, Instructions for Bankruptcy Forms for Non-Individuals, is available.

1. Debtor's name Brookwood Academy Inc.

2. All other names debtor used in the last 8 years Include any assumed names, trade names and doing business as names

3. Debtor's federal Employer Identification Number (EIN) 45-4859290

4. Debtor's address Principal place of business Mailing address, if different from principal place of business 2685 East Livingston Ave Columbus, OH 43209 Franklin P.O. Box 91201 Columbus, OH 43209 Location of principal assets, if different from principal place of business

5. Debtor's website (URL)

6. Type of debtor Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP)) Partnership (excluding LLP) Other. Specify:

Debtor **Brookwood Academy Inc.**  
Name

Case number (if known)

**7. Describe debtor's business**

A. Check one:

- Health Care Business (as defined in 11 U.S.C. § 101(27A))
- Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- Railroad (as defined in 11 U.S.C. § 101(44))
- Stockbroker (as defined in 11 U.S.C. § 101(53A))
- Commodity Broker (as defined in 11 U.S.C. § 101(6))
- Clearing Bank (as defined in 11 U.S.C. § 781(3))
- None of the above

B. Check all that apply

- Tax-exempt entity (as described in 26 U.S.C. §501)
- Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
- Investment advisor (as defined in 15 U.S.C. §80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.  
See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

\_\_\_\_\_

**8. Under which chapter of the Bankruptcy Code is the debtor filing?**

Check one:

- Chapter 7
- Chapter 9
- Chapter 11. Check all that apply:

- Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,566,050 (amount subject to adjustment on 4/01/19 and every 3 years after that).
- The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- A plan is being filed with this petition.
- Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
- The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

Chapter 12

**9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?**

- No.
- Yes.

If more than 2 cases, attach a separate list.

District _____	When _____	Case number _____
District _____	When _____	Case number _____

**10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?**

- No
- Yes.

List all cases. If more than 1, attach a separate list

Debtor _____	Relationship _____
District _____	When _____ Case number, if known _____

Debtor **Brookwood Academy Inc.**  
Name

Case number (if known)

**11. Why is the case filed in this district?**

Check all that apply:

- Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

**12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?**

No

Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

**Why does the property need immediate attention?** (Check all that apply.)

It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? \_\_\_\_\_

It needs to be physically secured or protected from the weather.

It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

Other \_\_\_\_\_

**Where is the property?** \_\_\_\_\_

Number, Street, City, State & ZIP Code

**Is the property insured?**

No

Yes. Insurance agency \_\_\_\_\_

Contact name \_\_\_\_\_

Phone \_\_\_\_\_

**Statistical and administrative information**

**13. Debtor's estimation of available funds**

Check one:

- Funds will be available for distribution to unsecured creditors.
- After any administrative expenses are paid, no funds will be available to unsecured creditors.

**14. Estimated number of creditors**

- |  |  |  |
|--|--|--|
| <input checked="" type="checkbox"/> 1-49 | <input type="checkbox"/> 1,000-5,000   | <input type="checkbox"/> 25,001-50,000     |
| <input type="checkbox"/> 50-99           | <input type="checkbox"/> 5001-10,000   | <input type="checkbox"/> 50,001-100,000    |
| <input type="checkbox"/> 100-199         | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> More than 100,000 |
| <input type="checkbox"/> 200-999         |  |  |

**15. Estimated Assets**

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> \$0 - \$50,000                   | <input type="checkbox"/> \$1,000,001 - \$10 million    | <input type="checkbox"/> \$500,000,001 - \$1 billion     |
| <input type="checkbox"/> \$50,001 - \$100,000             | <input type="checkbox"/> \$10,000,001 - \$50 million   | <input type="checkbox"/> \$1,000,000,001 - \$10 billion  |
| <input checked="" type="checkbox"/> \$100,001 - \$500,000 | <input type="checkbox"/> \$50,000,001 - \$100 million  | <input type="checkbox"/> \$10,000,000,001 - \$50 billion |
| <input type="checkbox"/> \$500,001 - \$1 million          | <input type="checkbox"/> \$100,000,001 - \$500 million | <input type="checkbox"/> More than \$50 billion          |

**16. Estimated liabilities**

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> \$0 - \$50,000                     | <input type="checkbox"/> \$1,000,001 - \$10 million    | <input type="checkbox"/> \$500,000,001 - \$1 billion     |
| <input type="checkbox"/> \$50,001 - \$100,000               | <input type="checkbox"/> \$10,000,001 - \$50 million   | <input type="checkbox"/> \$1,000,000,001 - \$10 billion  |
| <input type="checkbox"/> \$100,001 - \$500,000              | <input type="checkbox"/> \$50,000,001 - \$100 million  | <input type="checkbox"/> \$10,000,000,001 - \$50 billion |
| <input checked="" type="checkbox"/> \$500,001 - \$1 million | <input type="checkbox"/> \$100,000,001 - \$500 million | <input type="checkbox"/> More than \$50 billion          |

Debtor Brookwood Academy Inc. Case number (if known) \_\_\_\_\_  
Name

**Request for Relief, Declaration, and Signatures**

**WARNING** -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

**17. Declaration and signature of authorized representative of debtor**

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 28, 2017  
MM / DD / YYYY

**X /s/ Ellen Wristen**  
Signature of authorized representative of debtor  
  
Title Executive Director

**Ellen Wristen**  
Printed name

**18. Signature of attorney**

**X /s/ Richard K. Stovall**  
Signature of attorney for debtor

Date August 28, 2017  
MM / DD / YYYY

**Richard K. Stovall**  
Printed name

**Allen Kuehnle Stovall & Neuman LLP**  
Firm name

**17 South High Street  
Suite 1220  
Columbus, OH 43215**  
Number, Street, City, State & ZIP Code

Contact phone (614) 221-8500 Email address \_\_\_\_\_

**0029978**  
Bar number and State

**ACTIONS TAKEN IN WRITING AT A MEETING OF  
THE BOARD OF DIRECTORS OF  
BROOKWOOD ACADEMY, INC.**

**MAY 15, 2017**

***AUTHORIZATION OF FILING CHAPTER 11 BANKRUPTCY***

WHEREAS, the duly elected Board of Directors (the “Directors” and singularly, “Director”) of Brookwood Academy, Inc., (“Brookwood Academy”), an Ohio not-for-profit corporation, held a special meeting of the Board of Directors on May 8, 2017 (the “Board Meeting”).

WHEREAS, Brookwood Academy, through its duly elected Directors, deems it advisable and in the best interests of Brookwood Academy, its creditors, and all parties in interest to seek protection under Chapter 11 of Title 11 of the United States Code, and to employ competent professional assistance to guide Brookwood Academy through its reorganization process.

WHEREAS, during the Board Meeting, the Directors approved Executive Director Ellen Wristen to authorize the filing of a petition for relief for Brookwood Academy under Chapter 11 of Title 11 of the United States Code.

RESOLVED, that Brookwood Academy be, and hereby is, authorized to file a petition for relief under Chapter 11 of Title 11 of the United States Code for the Southern District of Ohio, Eastern Division (the “Bankruptcy Proceeding”).

RESOLVED FURTHER, that Ellen Wristen be, and hereby is, authorized to execute and file on behalf of Brookwood Academy any and all petitions for relief, papers, and other documents which are proper and necessary to initiate the Bankruptcy Proceeding, together with any and all other papers and documents incidental thereto.

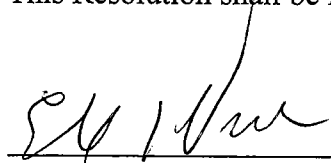
RESOLVED FURTHER, that Brookwood Academy be, and hereby is, authorized to retain the law firm of Allen Kuehnle Stovall & Neuman LLP as legal counsel to represent it in connection with the Bankruptcy Proceeding.

RESOLVED FURTHER, that Ellen Wristen is hereby authorized and directed, after consultation with legal counsel for Brookwood Academy, to take in the name and on behalf of Brookwood Academy, any and all action as necessary to effect the matters set forth in or reasonably contemplated by the foregoing resolutions, including without limitation, the execution and delivery of any additional agreements, certificates, waivers, consents, amendments or other agreements or instruments deemed appropriate by such officer or officers, the payment of all fees, including recording and filing fees, and the observance and performance of Brookwood Academy obligations and the enforcement of Brookwood Academy’s rights thereunder or otherwise with respect to such matters.

RESOLVED FURTHER, that all actions previously taken or that will be taken by any Director of Brookwood Academy in connection with or related to the matters set forth in or reasonably contemplated by the foregoing resolutions be, and each of them hereby is, adopted, ratified, confirmed and approved in all respects as the acts and deeds of Brookwood Academy.

RESOLVED FURTHER, that any prior resolutions of the Directors to the contrary are hereby superseded and of no further force and effect.

IN WITNESS WHEREOF, the undersigned, on behalf of Brookwood Academy, hereby consents and agrees to this Resolution, effective as of the date set forth above. This Resolution shall be filed with the records of Brookwood Academy.



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Ellen Wristen  
Executive Director,  
Brookwood Academy, Inc.

***CERTIFICATE***

The undersigned Secretary of the Directors of Brookwood Academy hereby certifies that the above Resolution is a true and correct copy of the Resolution passed by the Directors of Brookwood Academy at a special meeting held on May 8, 2017, and that such Resolution has not been amended, modified, or rescinded by the Directors.



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Joel McCloskey  
Secretary, Board of Directors  
Brookwood Academy, Inc.

Form **990**

**Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

**2015**

**Open to Public Inspection**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Department of the Treasury  
Internal Revenue Service

**A** For the 2015 calendar year, or tax year beginning July 1, 2015, and ending June 30, 2016

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return/terminated  
 Amended return  
 Application pending

**C** Name of organization Brookwood Academy Inc.  
 Doing business as \_\_\_\_\_  
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite  
2685 East Livingston Ave.  
 City or town, state or province, country, and ZIP or foreign postal code  
Columbus, Ohio 43209

**D** Employer identification number 45-4859290

**E** Telephone number 614-235-3451

**F** Name and address of principal officer: Dan Jax, President  
2685 East Livingston Ave., Columbus, Ohio 43209

**G** Gross receipts \$ 2,573,278

**H(a)** Is this a group return for subordinates?  Yes  No  
**H(b)** Are all subordinates included?  Yes  No  
 If "No," attach a list. (see instructions)  
**H(c)** Group exemption number ▶ \_\_\_\_\_

**I** Tax-exempt status:  501(c)(3)  501(c) ( ) ◀ (insert no.)  4947(a)(1) or  527

**J** Website: ▶ NA

**K** Form of organization:  Corporation  Trust  Association  Other ▶ \_\_\_\_\_

**L** Year of formation: 2012 **M** State of legal domicile: OH

Part I Summary		Prior Year	Current Year
Activities & Governance	<b>1</b> Briefly describe the organization's mission or most significant activities: <u>Brookwood Academy's mission is to serve special education students with emotional and spectrum disorder issues that result in significant social skill defects, making attendance in traditional school facilities difficult to impossible.</u>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<u>3</u>	<u>6</u>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<u>4</u>	<u>6</u>
	<b>5</b> Total number of individuals employed in calendar year 2015 (Part V, line 2a)	<u>5</u>	<u>55</u>
	<b>6</b> Total number of volunteers (estimate if necessary)	<u>6</u>	<u>7</u>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<u>7a</u>	<u>0</u>
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<u>7b</u>	<u>0</u>	
Revenue	<b>8</b> Contributions and grants (Part VIII, line 1h)	<u>2,865,121</u>	<u>2,348,275</u>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<u>120</u>	<u>927</u>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<u>0</u>	<u>0</u>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<u>519,181</u>	<u>224,076</u>
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<u>3,384,423</u>	<u>2,573,278</u>
Expenses	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)	<u>0</u>	<u>0</u>
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	<u>0</u>	<u>0</u>
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	<u>1,515,817</u>	<u>1,134,812</u>
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	<u>0</u>	<u>0</u>
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	<u>1,880,682</u>	<u>1,432,545</u>
<b>18</b> Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	<u>3,396,499</u>	<u>2,567,357</u>	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<u>(12,076)</u>	<u>5,921</u>	
Net Assets or Fund Balances	<b>20</b> Total assets (Part X, line 16)	<u>1,040</u>	<u>6,961</u>
	<b>21</b> Total liabilities (Part X, line 26)	<u>0</u>	<u>0</u>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<u>1,040</u>	<u>6,961</u>

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature of officer: Joel McClaskey Date: 10/17/16

Type or print name and title: Joel McClaskey

**Paid Preparer Use Only**

Print/Type preparer's name: Sean Fraunfelter Preparer's signature: [Signature] Date: 9/20/16 Check  if self-employed PTIN: P01350034

Firm's name: Fraunfelter Accounting Services Firm's EIN: 61-1453265

Firm's address: PO Box 8454, West Chester, Ohio 45069 Phone no.: 513-265-3045

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form **990** (2015)

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III

**1** Briefly describe the organization's mission:

Brookwood Academy's mission is to serve special education students with emotional and spectrum disorder issues that result in significant social skill defects, making attendance in traditional school facilities difficult to impossible.

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: ) (Expenses \$ 1,925,731 including grants of \$ ) (Revenue \$ 927)

Provide education to 106 students. The majority of the Academy's revenue is governmental grants.

**4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4d** Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses **1,925,731**



**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .	1	✓
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? . . . . .	2	✓
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .	3	✓
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .	4	✓
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .	5	✓
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I . . . . .	6	✓
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II . . . . .	7	✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .	8	✓
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV . . . . .	9	✓
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V . . . . .	10	✓
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI . . . . .	11a	✓
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII . . . . .	11b	✓
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII . . . . .	11c	✓
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX . . . . .	11d	✓
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X . . . . .	11e	✓
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X . . . . .	11f	✓
12 a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII . . . . .	12a	✓
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional . . . . .	12b	✓
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .	13	✓
14 a Did the organization maintain an office, employees, or agents outside of the United States? . . . . .	14a	✓
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV. . . . .	14b	✓
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV . . . . .	15	✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV. . . . .	16	✓
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) . . . . .	17	✓
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .	18	✓
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .	19	✓

**Part IV Checklist of Required Schedules (continued)**

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H . . . . .</i>		✓
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II . . . . .</i>		✓
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III . . . . .</i>		✓
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J . . . . .</i>		✓
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a . . . . .</i>		✓
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		n/a
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		n/a
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		n/a
25a <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I . . . . .</i>		✓
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I . . . . .</i>		✓
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II . . . . .</i>		✓
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III . . . . .</i>		✓
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		✓
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		✓
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>		✓
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . . . .</i>		✓
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M . . . . .</i>		✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . . . .</i>		✓
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II . . . . .</i>		✓
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I . . . . .</i>		✓
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .</i>		✓
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)? . . . . .		✓
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>		n/a
36 <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>		✓
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI . . . . .</i>		✓
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O.	✓	

Form 990 (2015)

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V

		1a	1b	Yes		No	
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	9					
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable						
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		0				
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return			1c	✓		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2a	55	2b	✓		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?			3a		✓	
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O			3b		N/A	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		✓	
b	If "Yes," enter the name of the foreign country: ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).						
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		✓	
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		N/A	
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			5c		N/A	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			6a		✓	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		N/A	
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>						
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			7a		✓	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		✓	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		✓	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d					
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		✓	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		✓	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h			N/A
8	<b>Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?			8			
9	<b>Sponsoring organizations maintaining donor advised funds.</b>						
a	Did the sponsoring organization make any taxable distributions under section 4966?			9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?			9b			
10	<b>Section 501(c)(7) organizations.</b> Enter:						
a	Initiation fees and capital contributions included on Part VIII, line 12	10a					
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b					
11	<b>Section 501(c)(12) organizations.</b> Enter:						
a	Gross income from members or shareholders	11a					
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b					
12a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?			12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b					
13	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>						
a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.			13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans						
c	Enter the amount of reserves on hand	13b					
14a	Did the organization receive any payments for indoor tanning services during the tax year?	13c		14a		✓	
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O			14b			

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI

**Section A. Governing Body and Management**

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . . . . If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	5	
1b	Enter the number of voting members included in line 1a, above, who are independent . . . . .	5	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .		✓
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? . . . . .		✓
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .		✓
5	Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .		✓
6	Did the organization have members or stockholders? . . . . .		✓
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .		✓
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . . . .		✓
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body? . . . . .	✓	
b	Each committee with authority to act on behalf of the governing body? . . . . .	✓	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .		✓

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates? . . . . .		✓
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? . . . . .		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? . . . . .	✓	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990. . . . .		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	✓	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	✓	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done . . . . .		✓
13	Did the organization have a written whistleblower policy? . . . . .	✓	
14	Did the organization have a written document retention and destruction policy? . . . . .	✓	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official . . . . .		✓
b	Other officers or key employees of the organization . . . . .		✓
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .		✓
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .		

**Section C. Disclosure**

- 17 List the states with which a copy of this Form 990 is required to be filed ► None
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website  Another's website  Upon request  Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20 State the name, address, and telephone number of the person who possesses the organization's books and records: ►  
 Joel McCloskey, 2685 East Livingston Ave., Columbus, Ohio 43209 614-235-3451

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) John Birkner Board President (resigned April 2016)	2	✓						0	0	0
(2) James Kuhn Board Member	1	✓						0	0	0
(3) Craig Bailey Board Member	1	✓						0	0	0
(4) Marilyn Cook Board Member	1	✓						0	0	0
(5) Barbara Smoot Board Member (resigned February 2016)	1	✓						0	0	0
(6) Valerie Banks Board Member (resigned February 2016)	1	✓						0	0	0
(7) Dan Jax Board President (started February 2016)	1	✓						0	0	0
(8) Bonnie Bailey Board Member (started February 2016)	1	✓						0	0	0
(9)								0	0	0
(10)										
(11)										
(12)										
(13)										
(14)										

Form 990 (2015)

Page 8

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
<b>1b Sub-total</b>							0	0	0	
<b>c Total from continuation sheets to Part VII, Section A</b>							0	0	0	
<b>d Total (add lines 1b and 1c)</b>							0	0	0	

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		✓
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		✓
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		✓

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
Baybrook & Associates, LLC 602 Oncapher Ave., Marion, Ohio 43302	Education	474,995
Brookwood Presbyterian Church, 2685 E. Livingston Ave, Columbus, Ohio 43209	Facility Rent	152,000
Prestige Adult Services, 2650 Courtright, Columbus, Ohio 43232	Transportation	287,296

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **3**

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . . <b>1a</b>					
	<b>b</b> Membership dues . . . . . <b>1b</b>					
	<b>c</b> Fundraising events . . . . . <b>1c</b>					
	<b>d</b> Related organizations . . . . . <b>1d</b>					
	<b>e</b> Government grants (contributions) <b>1e</b>	2,293,975				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above <b>1f</b>	54,300				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$					
	<b>h Total.</b> Add lines 1a-1f . . . . . ▶	2,348,275				
<b>Program Service Revenue</b>	<b>2a</b> Food Services	Business Code				
	<b>b</b> -----	611110	927	927	0	
	<b>c</b> -----					
	<b>d</b> -----					
	<b>e</b> -----					
	<b>f</b> All other program service revenue .					
	<b>g Total.</b> Add lines 2a-2f . . . . . ▶		927			
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		0			
	<b>4</b> Income from investment of tax-exempt bond proceeds ▶		0			
	<b>5</b> Royalties . . . . . ▶		0			
	<b>6a</b> Gross rents . . . . .	(i) Real				
		(ii) Personal				
	<b>b</b> Less: rental expenses					
	<b>c</b> Rental income or (loss)					
	<b>d</b> Net rental income or (loss) . . . . . ▶		0			
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
	<b>b</b> Less: cost or other basis and sales expenses . . . . .					
	<b>c</b> Gain or (loss) . . . . .					
	<b>d</b> Net gain or (loss) . . . . . ▶		0			
	<b>8a</b> Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 . . . . . <b>a</b>					
		<b>b</b> Less: direct expenses . . . . . <b>b</b>				
<b>c</b> Net income or (loss) from fundraising events . ▶			0			
<b>9a</b> Gross income from gaming activities. See Part IV, line 19 . . . . . <b>a</b>						
	<b>b</b> Less: direct expenses . . . . . <b>b</b>					
	<b>c</b> Net income or (loss) from gaming activities . . ▶		0			
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . . <b>a</b>						
	<b>b</b> Less: cost of goods sold . . . . . <b>b</b>					
	<b>c</b> Net income or (loss) from sales of inventory . . ▶		0			
Miscellaneous Revenue		Business Code				
<b>11a</b> Line of Credit Draws	900099	213,187	213,187	0	0	
<b>b</b> -----						
<b>c</b> -----						
<b>d</b> All other revenue . . . . .	900099	10,889	10,889	0	0	
<b>e Total.</b> Add lines 11a-11d . . . . . ▶		224,076				
<b>12 Total revenue.</b> See instructions. . . . . ▶		2,573,278	225,003	0	0	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 . . . . .	0			
2 Grants and other assistance to domestic individuals. See Part IV, line 22 . . . . .	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 . . . . .	0			
4 Benefits paid to or for members . . . . .	0			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	0			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0			
7 Other salaries and wages . . . . .	931,004	749,498	181,506	0
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	136,487	106,538	29,949	0
9 Other employee benefits . . . . .	54,354	52,587	1,767	0
10 Payroll taxes . . . . .	12,967	10,014	2,953	0
11 Fees for services (non-employees):				
a Management . . . . .	0			
b Legal . . . . .	380	0	380	
c Accounting . . . . .	102,878	58,535	44,343	0
d Lobbying . . . . .	0			
e Professional fundraising services. See Part IV, line 17	0			
f Investment management fees . . . . .	0			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) . . . . .	117,392	70,843	46,549	0
12 Advertising and promotion . . . . .	715	0	715	0
13 Office expenses . . . . .	55,836	3,287	52,549	0
14 Information technology . . . . .	11,859	0	11,859	0
15 Royalties . . . . .	0			
16 Occupancy . . . . .	202,000	151,500	50,500	0
17 Travel . . . . .	0			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0			
19 Conferences, conventions, and meetings . . . . .	2,207	2,207	0	0
20 Interest . . . . .	1,027	0	1,027	
21 Payments to affiliates . . . . .	0			
22 Depreciation, depletion, and amortization . . . . .	0			
23 Insurance . . . . .	3,788	2,841	947	0
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Food Services . . . . .	2,340	0	2,340	0
b Special Education . . . . .	483,389	483,389	0	0
c Student Transportation . . . . .	234,492	234,492	0	0
d Line of Credit Payments - principal . . . . .	214,242	0	214,242	0
e All other expenses . . . . .				
25 Total functional expenses. Add lines 1 through 24e	2,567,357	1,925,731	641,626	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) . . . . .				



**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	1,040	<b>1</b>	6,961
	<b>2</b> Savings and temporary cash investments . . . . .		<b>2</b>	
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .		<b>4</b>	
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	
	<b>8</b> Inventories for sale or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . .		<b>9</b>	
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	<b>10a</b>		
	<b>b</b> Less: accumulated depreciation . . . . .	<b>10b</b>		<b>10c</b>
	<b>11</b> Investments—publicly traded securities . . . . .		<b>11</b>	
	<b>12</b> Investments—other securities. See Part IV, line 11 . . . . .		<b>12</b>	
	<b>13</b> Investments—program-related. See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11 . . . . .		<b>15</b>	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .		1,040	<b>16</b>	6,961
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .		<b>17</b>	
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D . . . . .		<b>25</b>	
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .		0	<b>26</b>
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .		<b>27</b>	
	<b>28</b> Temporarily restricted net assets . . . . .		<b>28</b>	
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		1,040	<b>32</b>
<b>33</b> <b>Total net assets or fund balances</b> . . . . .		1,040	<b>33</b>	6,961
<b>34</b> <b>Total liabilities and net assets/fund balances</b> . . . . .		1,040	<b>34</b>	6,961

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	2,573,278
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	2,567,357
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	5,921
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	1,040
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	0
<b>6</b>	Donated services and use of facilities	<b>6</b>	0
<b>7</b>	Investment expenses	<b>7</b>	0
<b>8</b>	Prior period adjustments	<b>8</b>	0
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	0
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	6,961

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

- 1** Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant? . . .  
 If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant? . . . . .  
 If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
<b>2a</b>		✓
<b>2b</b>		✓
<b>2c</b>		✓
<b>3a</b>		✓
<b>3b</b>		

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Public Charity Status and Public Support**

OMB No. 1545-0047

**2015**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

Employer identification number

Brookwood Academy Inc.

45-4859290

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9  An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.
  - a  **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
  - b  **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
  - c  **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
  - d  **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
  - e  Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
- f Enter the number of supported organizations . . . . .
- g Provide the following information about the supported organization(s).

	(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
				Yes	No		
(A)	NA						
(B)							
(C)							
(D)							
(E)							
<b>Total</b>							

**SCHEDULE E  
(Form 990 or 990-EZ)**

**Schools**

OMB No. 1545-0047

**2015**

Department of the Treasury  
Internal Revenue Service

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.**  
▶ **Attach to Form 990 or Form 990-EZ.**

**Open to Public Inspection**

▶ **Information about Schedule E (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

Name of the organization  
**Brookwood Academy Inc.**

Employer identification number  
**45-4859290**

**Part I**

		YES	NO
1	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? . . . . .	✓	
2	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? . . . . .	✓	
3	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe. If "No," please explain. If you need more space, use Part II . . . . . <u>The Academy actively recruits students who are disabled, economically disadvantaged and minority.</u> ----- ----- -----	✓	
4	Does the organization maintain the following? a Records indicating the racial composition of the student body, faculty, and administrative staff? . . . . .	✓	
	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? . . . . .	✓	
	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? . . . . .	✓	
	d Copies of all material used by the organization or on its behalf to solicit contributions? . . . . . If you answered "No" to any of the above, please explain. If you need more space, use Part II. ----- ----- -----	✓	
5	Does the organization discriminate by race in any way with respect to: a Students' rights or privileges? . . . . .		✓
	b Admissions policies? . . . . .		✓
	c Employment of faculty or administrative staff? . . . . .		✓
	d Scholarships or other financial assistance? . . . . .		✓
	e Educational policies? . . . . .		✓
	f Use of facilities? . . . . .		✓
	g Athletic programs? . . . . .		✓
	h Other extracurricular activities? . . . . . If you answered "Yes" to any of the above, please explain. If you need more space, use Part II. ----- ----- -----		
6a	Does the organization receive any financial aid or assistance from a governmental agency? . . . . .	✓	
6b	Has the organization's right to such aid ever been revoked or suspended? . . . . . If you answered "Yes" on either line 6a or line 6b, explain on Part II.		✓
7	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," explain on Part II . . . . .	✓	

**SCHEDULE O  
(Form 990 or 990-EZ)**

**Supplemental Information to Form 990 or 990-EZ**

OMB No. 1545-0047

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

**2015**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

Employer identification number

Brookwood Academy Inc.

45-4859290

Part III 4a - The Academy receives significantly all of the funding for program and non-program related expenses through the state and federal grant process.

Part VI B 11 - The form was emailed to all board members before submission.

Part VI C 19 - The information is available upon request.



**(A Component Unit of Reynoldsburg City School District)  
Franklin County**

Management's Discussion and Analysis  
For the Year Ended June 30, 2017  
(Unaudited)

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The management's discussion and analysis of Brookwood Academy (the "Academy") financial performance provides an overall review of the Academy's financial activities for the fiscal year ended June 30, 2017. The intent of this discussion and analysis is to look at the Academy's financial performance as a whole. Readers should also review our notes to the basic financial statements and the financial statements themselves to enhance their understanding of the Academy's financial performance.

### **Financial Highlights**

Key financial highlights for the Academy are as follows:

- The total assets and net position of the Academy were \$10,933 as of June 30, 2017. Of this amount, \$8,520 (unrestricted net position) may be used to meet the Academy's ongoing obligations.
- The Academy's net position increased by \$3,973 during the fiscal year. The Academy's operating receipts of approximately \$1.6 million and non-operating receipts of \$626,574 exceeded operating disbursements of approximately \$1.8 million and non-operating disbursements of \$378,527.

### **Using the Basic Financial Statements**

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Academy's modified cash basis of accounting.

### **Report Components**

The statement of net position and the statement of cash receipts, disbursements, and changes in net position provide information about the Academy as a whole.

The management's discussion and analysis is intended to serve as an introduction to the Academy's basic financial statements. The Academy's basic financial statements are comprised of two components: the financial statements and the notes to the financial statements.

The statement of net position and the statement of cash receipts, disbursements, and changes in net position reflect how the Academy did financially during the fiscal year. The change in net position is important because it tells the reader whether the modified cash position of the Academy has increased or decreased during the period.

The notes to the financial statements are an integral part of the basic financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**BROOKWOOD ACADEMY****(A Component Unit of Reynoldsburg City School District)****Franklin County**

Management's Discussion and Analysis

For the Year Ended June 30, 2017

(Unaudited)

**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Academy has elected to present its financial statements using the modified cash basis of accounting. This basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America. Under the Academy's modified cash basis of accounting, receipts and disbursements are recorded when cash is received or paid with the exception of investment purchases and sales of investments. The Academy had no investments at fiscal year-end.

As a result of using the modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the modified cash basis of accounting.

**Financial Analysis**

Table 1 provides a summary of the Academy's net position at fiscal year-end for June 30, 2017 and June 30, 2016.

**Table 1**  
**Net Position at Year End**

	<u>2017</u>	<u>2016</u>
Assets:		
Cash and Cash Equivalents	\$ 10,933	\$ 6,960
Total Assets	<u>10,933</u>	<u>6,960</u>
Net Position:		
Restricted	2,413	2,326
Unrestricted	8,520	4,634
Total Net Position	<u>\$ 10,933</u>	<u>\$ 6,960</u>

The increase in cash and cash equivalents represents the amount in which operating and non-operating receipts exceeded disbursements during the fiscal year.

Unrestricted net position increase in comparison with the prior fiscal year. This increase is the result of the cash and cash equivalents balance increasing.



**(A Component Unit of Reynoldsburg City School District)  
Franklin County**Management's Discussion and Analysis  
For the Year Ended June 30, 2017  
(Unaudited)**Financial Analysis**

Table 2 shows the change in net position for the fiscal year ended June 30, 2017 and June 30, 2016.

**Table 2****Change in Net Position**

	<b>2017</b>	<b>2016</b>
<b>Operating receipts:</b>		
Foundation receipts	\$1,601,496	\$1,899,206
<b>Total Operating receipts</b>	<b>1,601,496</b>	<b>\$1,899,206</b>
<b>Operating Disbursements:</b>		
Salaries and Wages	857,452	931,004
Fringe benefits	179,422	203,810
Purchased services	724,939	1,155,592
Materials and supplies	76,823	51,359
Other expenses	6,934	10,324
<b>Total Operating Disbursements</b>	<b>1,845,570</b>	<b>2,352,089</b>
<b>Operating Loss</b>	<b>(244,074)</b>	<b>(452,883)</b>
<b>Nonoperating Receipts/(Disbursements)</b>		
Federal and State Grants	220,449	395,695
Donations	2,500	54,300
Loan Proceeds	372,778	213,188
Miscellaneous Revenue	30,847	10,889
Debt Service:		
Principal	(375,601)	(213,188)
Interest and fiscal charges	(2,926)	(2,081)
<b>Nonoperating Receipts/(Disbursements)</b>	<b>248,047</b>	<b>458,803</b>
<b>Change in Net Position</b>	<b>3,9373</b>	<b>5,920</b>
<b>Beginning Net Position</b>	<b>6,960</b>	<b>1,040</b>
<b>Ending Net Position</b>	<b>\$10,933</b>	<b>\$6,960</b>

Operating Receipts and Operating Disbursements both decreased significantly in comparison with the prior fiscal year. These decreases are primarily the result of decreased enrollment.

**BROOKWOOD ACADEMY**

**(A Component Unit of Reynoldsburg City School District)**

**Franklin County**

Management's Discussion and Analysis

For the Year Ended June 30, 2017

(Unaudited)

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Non-operating Receipts decreased from the prior year as the amount received for federal and state grants dropped with the reduction in student enrollment. Non-operating Disbursements increased significantly in comparison with the prior fiscal year primarily the result of increased activity on the Academy's line of credit.

**Budget Highlights**

Unlike other public schools located in the State of Ohio, community schools are not required to follow the budgetary provisions set forth in Ohio Rev. Code Chapter 5705, unless specifically provided by the Academy's contract with its Sponsor. The contract between the Academy and its Sponsor prescribes an annual budget requirement as part of preparing a five-year forecast, which is updated on an annual basis.

**Debt**

The Academy has an outstanding line of credit that carries a 7.75 interest rate (as of July 1, 2017) with a balance of \$47,177. For more information on the Academy's debt see note 8 of the financial statements.

**Current Financial Issues**

The Academy depends on legislative and governmental support to fund its operations. Based on information currently available, several changes are expected to occur in the nature of the funding or operations of the Academy in future fiscal years due to the State's current economic environment. The Academy is expected to continue to grow in the number of students, which will impact the Academy's funding since the Academy receives the majority of its finances from state aid.

**Contacting the Academy**

This financial report is designed to provide a general overview of the finances of Brookwood Academy and to show the Academy's accountability for the monies it receives to all vested and interested parties, as well as meeting the annual reporting requirements of the State of Ohio. Any questions about the information contained within this report or requests for additional financial information should be directed to the Treasurer of Brookwood Academy, 2685 East Livingston Avenue, Columbus, Ohio 43209.

**BROOKWOOD ACADEMY**  
**(A COMPONENT UNIT OF REYNOLDSBURG CITY SCHOOL DISTRICT)**  
**FRANKLIN COUNTY**

STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
AS OF JUNE 30, 2017

**Assets**

Cash and Cash Equivalents	<u>\$ 10,933</u>
Total Assets	<u><u>10,933</u></u>

**Net Position**

Restricted for:	
Federally Funded Programs	2,413
Unrestricted	<u>8,520</u>
Total Net Positions	<u><u>\$ 10,933</u></u>

See Accountant's Compilation Report

See Accompanying Notes to the Financial Statements

**BROOKWOOD ACADEMY  
(A COMPONENT UNIT OF REYNOLDSBURG CITY SCHOOL DISTRICT)  
FRANKLIN COUNTY**

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES  
IN NET POSITION - MODIFIED CASH BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

<b>Operating Receipts:</b>	
State Foundation	\$ 1,601,496
Total Operating Receipts	<u>1,601,496</u>
 <b>Operating Disbursements:</b>	
Salaries and Wages	857,452
Fringe Benefits	179,422
Purchased Services	724,939
Materials and Supplies	76,823
Other	6,934
Total Operating Disbursements	<u>1,845,570</u>
 Operating Loss	 (244,074)
 <b>Non-Operating Receipts (Disbursements):</b>	
Federal and State Grants	220,449
Donations	2,500
Loan Proceeds	372,778
Miscellaneous Receipts	30,847
Debt Service:	
Principal Retirement	(375,601)
Interest and Fiscal Charges	(2,926)
Total Non-Operating Receipts (Disbursements)	<u>248,047</u>
 Change in Net Position	 3,973
 Net Position at Beginning of the Year	 <u>6,960</u>
Net Position at End of the Year	<u><u>\$ 10,933</u></u>

See Accountant's Compilation Report  
See Accompanying Notes to the Financial Statements

**(A Component Unit of Reynoldsburg City School District)  
Franklin County**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017

**NOTE 1 - DESCRIPTION OF THE ACADEMY**

Brookwood Academy, Franklin County, Ohio (the “Academy”) is a nonprofit corporation established pursuant to Ohio Revised Code Chapters 3314 and 1702, to maintain and provide a high quality education to its students and contributes significantly to Ohio’s effort to provide quality education opportunities for learners in the areas of academic development, civic leadership, and a lifetime of productive work. Management is not aware of any course of action or series of events that have occurred that might adversely affect the Academy’s tax exempt status. The Academy’s mission is to educate its students using a “classical” education model that empowers students to venture into the world armed with adequate academic and social skills to function in the adult world. The target student population consists of students, grades 3-12, who due to behavioral, academic, emotional and/or developmental issues struggle to be successful academically and/or socially in large group settings. These students are typically referred to as “at risk”, 504 plan and/or special education students. The Academy provides each student an individually tailored academic program that is implemented in a relatively small student body with classroom sizes from 4-8. The Academy may acquire facilities as needed and contract for any services necessary for operation.

The Academy is considered a component unit of the Reynoldsburg City School District for reporting purposes, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus”.

The Academy was approved for operation under a contract with the Reynoldsburg City School District (the “Sponsor”) on May 21, 2012 to begin operation on July 1, 2012 for a period of one academic year and was renewed for a period of five years on May 21, 2013. The Sponsor is responsible for evaluating the performance of the Academy and has the authority to deny renewal of the contract at its expiration or terminate the contract prior to its expiration.

The Academy is designed to operate under the direction of a self-appointed six-member Board of Directors (the “Board”). The Board is responsible for carrying out the provisions of the contract, which include, but are not limited to, state-mandated provisions regarding student population, curriculum, academic goals, performance standards, admission standards and qualifications of teachers. The Board controls the Academy’s one instructional/support facility staffed by 14 non-certified staff members and 13 certificated teaching personnel who provide services to 87 full time equivalent students.

As discussed further in Note 2.B, these financial statements are presented on a modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the modified cash basis of accounting. Following are the more significant of the Academy’s accounting policies.

**BROOKWOOD ACADEMY**

(A Component Unit of Reynoldsburg City School District)

Franklin County

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation**

The Academy's basic financial statements consist of a statement of net position; and a statement of cash receipts, disbursements, and changes in net position. These statements are prepared on the modified cash basis of accounting as further described in Note 2 B.

The Academy uses a single enterprise presentation for its financial records. Enterprise reporting focuses on the determination of operating income, changes in net position, and financial position.

**B. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The Academy's financial statements are prepared using the modified cash basis of accounting. With the exception of investment purchases and sales, receipts are recorded in the Academy's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. The Academy had no investments at fiscal year-end.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

**C. Budgetary Process**

Unlike other public Schools located in the State of Ohio, community schools are not required to follow the budgetary provisions set forth in Ohio Rev. Code Chapter 5705, unless specifically provided by the Academy's contract with its Sponsor. The contract between the Academy and its Sponsor prescribes an annual budget requirement as part of preparing a five-year forecast, which is updated on an annual basis.

**D. Cash and Cash Equivalents**

All monies received by the Academy are deposited in a demand deposit account.

For purposes of the presentation on the statement of net position, investments with maturities of three months or less at the time they are purchased by the Academy are considered to be cash equivalents. Investments with maturities greater than three months at the time they are purchased are reported as investments.

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Restricted Assets**

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors or laws or other governments or imposed by enabling legislation. The Academy had no restricted assets at fiscal year-end.

**F. Prepaid Items**

The Academy reports disbursements for prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

**G. Inventory**

The Academy reports disbursements for inventory when paid. These items are not reflected as assets in the accompanying financial statements.

**H. Capital Assets**

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets in the accompanying financial statements.

**I. Accumulated Leave**

In certain circumstances, such as upon leaving employment or retirement, employees are entitled to cash payments for unused leave. These items are not reflected as liabilities in the accompanying financial statements.

**J. Employer Contributions to Cost-Sharing Pension Plans**

The Academy recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 4 and 5, the employer contributions include portions for pension benefits and for postretirement health care benefits.

**K. Accrued Liabilities and Long-Term Obligations**

The Academy's modified cash basis financial statements do not report liabilities for accrued liabilities and long-term obligations. Proceeds of debt are reported when cash is received and principal and interest payments are reported when paid. The Academy had \$47,177 in outstanding debt as of June 30, 2017.

**BROOKWOOD ACADEMY**

**(A Component Unit of Reynoldsburg City School District)**

**Franklin County**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Deferred Inflows and Outflows of Resources**

The Academy's modified cash basis financial statements do not report deferred outflows and inflows of resources. The Academy recognizes the disbursement for deferred outflows when they are paid and proceeds of deferred inflows are reported when cash is received.

**M. Net Position**

Net position represents cash. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Academy or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments. The Academy had \$2,413 of restricted net position for Federally Funded Programs and Other Programs at fiscal year-end.

The Academy's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position is available.

**N. Operating Receipts and Disbursements**

Operating receipts are those revenues that are generated directly from the primary activity of the Academy. Operating disbursements are necessary costs incurred to provide the goods or services that are the primary activities of the Academy. All receipts and disbursements not meeting this definition are reported as non-operating.

**NOTE 3 - DEPOSITS**

At fiscal year-end, the carrying amount of the Academy's deposits was \$10,933 and the bank balance was \$33,262. The Academy's entire bank balance was covered by the Federal Deposit Insurance Corporation (FDIC).

Custodial credit risk is the risk that, in the event of bank failure, the Academy's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the Academy. The Academy has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the Academy to a successful claim by the FDIC.



**(A Component Unit of Reynoldsburg City School District)  
Franklin County**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**NOTE 4 - PENSION PLANS*****Net Pension Liability***

Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension liability represents the Academy's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The Ohio Revised Code limits the Academy's obligation for this liability to annually required payments. The Academy cannot control benefit terms or the manner in which pensions are financed; however, the Academy does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

***Plan Description - School Employees Retirement System (SERS)***

Plan Description – Academy non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

(A Component Unit of Reynoldsburg City School District)  
Franklin CountyNotes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**NOTE 4 - PENSION PLANS (Continued)**

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

\* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the Academy is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2017, the allocation to pension, death benefits, and Medicare B was 14.00 percent and nothing was allocated to the Health Care Fund.

The Academy paid \$62,064 to SERS during fiscal year 2017.

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description – Academy licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at [www.strsoh.org](http://www.strsoh.org).

**(A Component Unit of Reynoldsburg City School District)  
Franklin County**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**NOTE 4 - PENSION PLANS (Continued)**

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five year of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five year of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

(A Component Unit of Reynoldsburg City School District)  
Franklin CountyNotes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**NOTE 4 - PENSION PLANS (Continued)**

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2017, plan members were required to contribute 14 percent of their annual covered salary. The Academy was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2017 contribution rates were equal to the statutory maximum rates.

The Academy paid \$62,892 to STRS during fiscal year 2017.

***Net Pension Liability***

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Academy's proportion of the net pension liability was based on the Academy's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share:

	SERS	STRS	Total
Proportionate Share of the Net Pension Liability	\$946,305	\$1,656,382	\$2,602,687
Proportion of the Net Pension Liability	0.0129293%	0.00494841%	

***Actuarial Assumptions - SERS***

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

**BROOKWOOD ACADEMY****(A Component Unit of Reynoldsburg City School District)****Franklin County**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**NOTE 4 - PENSION PLANS (Continued)**

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2016, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash	1.00 %	0.50 %
US Stocks	22.50	4.75
Non-US Stocks	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
Total	<u>100.00 %</u>	

(A Component Unit of Reynoldsburg City School District)  
Franklin CountyNotes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**NOTE 4 - PENSION PLANS (Continued)**

**Discount Rate** The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the Academy's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Academy's proportionate share of the net pension liability	\$ 1,252,850	\$946,305	\$ 752,979

**Actuarial Assumptions - STRS**

The total pension liability in the June 30, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date.

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class.

**BROOKWOOD ACADEMY**

(A Component Unit of Reynoldsburg City School District)

Franklin County

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**NOTE 4 - PENSION PLANS (Continued)**

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	<u>100.00 %</u>	

**Discount Rate** The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2016. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2016.

**Sensitivity of the Academy's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the Academy's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the Academy's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease █ (6.75%)	Current Discount Rate █ (7.75%)	1% Increase █ (8.75%)
Academy's proportionate share of the net pension liability	\$2,201,197	\$1,656,382	\$1,196,798

**(A Component Unit of Reynoldsburg City School District)  
Franklin County**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**NOTE 5 - POSTEMPLOYMENT BENEFITS****A. School Employees Retirement System**

Health Care Plan Description - The Academy contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2017, 0.00 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2017, this amount was \$23,500. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge.

The Academy's payments for health care, including the surcharge, for the fiscal years ended June 30, 2017, 2016, and 2015 were \$0, \$7,026, and \$15,625, respectively.

***State Teachers Retirement System***

Plan Description - The Academy participates in the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.



**(A Component Unit of Reynoldsburg City School District)  
Franklin County**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017

**NOTE 5 - POSTEMPLOYMENT BENEFITS (Continued)**

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2017, STRS did not allocate any employer contributions to post-employment health care. The Academy's payments for health care for the fiscal years ended June 30, 2017, 2016, and 2015 were \$0, \$0, and \$0, respectively.

**NOTE 6 - SPONSORSHIP AGREEMENT**

The Academy has entered into a sponsorship agreement with Reynoldsburg City School District (Sponsor) whereby the Sponsor shall receive compensation for services provided to the Academy. As part of this agreement, the Academy shall compensate the Sponsor three percent (3%) of the per-pupil allocation (foundation) paid to the Academy by the State of Ohio. For this fee, the Sponsor shall provide the Academy with fiscal oversight and administrative support related to the following:

- Monitor the Academy's compliance with all laws applicable to the Academy and with the terms of the contract;
- Monitor and evaluate the academic and fiscal performance and the organization and operation of the Academy at least once during the contract term;
- Report, by November 30, the results of evaluation conducted under the sponsorship agreement to the Ohio Department of Education and to the parents of students enrolled in the Academy;
- Provide technical assistance to the Academy in complying with laws applicable to the terms of the contract;
- Take steps to intervene in the Academy's operation, to the extent reasonable and within available resources, to correct problems in the Academy's overall performance, declare the Academy to be on probationary status pursuant to section 3314.073 of the Revised Code, suspend the operation of the Academy pursuant to section 3314.072 of the Revised Code, or terminate the contract of the Academy pursuant to section 3314.07 of the Revised Code as determined necessary; and
- Have in place a plan of action to be undertaken in the event the Academy experiences financial difficulties or closes prior to the end of the school year.

During the fiscal year, the Academy paid the Sponsor \$66,935 under this agreement with an additional \$12,000 paid for accounting services related to prior years.

**BROOKWOOD ACADEMY****(A Component Unit of Reynoldsburg City School District)****Franklin County**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**NOTE 7 – LEASE AGREEMENT**

On July 1, 2017, the Academy entered into a one-year agreement with Brookwood Presbyterian Church for the lease of office space and classrooms at the Brookwood Campus at Brookwood Presbyterian Church. The monthly lease payments were \$12,000. The agreement allows for payments to be made in part, delayed or waived by the Brookwood Presbyterian Church for any given month by the request of the Brookwood Academy. The Academy paid Brookwood Presbyterian Church \$144,000 for use of the space during fiscal year 2017.

**NOTE 8 – DEBT**

On April 29, 2013, the Academy opened a line of credit with US Bank. The credit limit of \$50,000 and has an annual percentage rate of 7.75 (effective July 1, 2017 an increase of 0.25 from fiscal year 2017.) The changes in the Academy's obligation during the fiscal year were as follows:

	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>
US Bank Line of Credit	\$ 50,000	\$ 372,778	\$ (375,601)	\$ 47,177
	<u>\$ 50,000</u>	<u>\$ 372,778</u>	<u>\$ (376,601)</u>	<u>\$ 47,177</u>

**NOTE 9 - RISK MANAGEMENT****A. Property and Liability**

The Academy is exposed to various risks of loss related to torts; theft of damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Academy maintains insurance coverage for rental/theft, general liability, contents liability. The general liability coverage is in the amount of \$2,000,000 aggregate.

Settled claims did not exceed these commercial coverage's during the fiscal year. There was no significant reduction in amounts of insurance coverage during the fiscal year.

The Academy does not own real estate, but rents facilities located at 2685 East Livingston Avenue, Columbus, Ohio 43209 and 2900 Winchester Pike, Canal Winchester, Ohio 43232.

**BROOKWOOD ACADEMY**

**(A Component Unit of Reynoldsburg City School District)**

**Franklin County**

Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017

**NOTE 10 - CONTINGENCIES**

**A. Grants** - The Academy received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the Academy at June 30, 2017, if applicable, cannot be determined at this time. However, in the opinion of the Academy, any such disallowed claims will not have a material adverse effect on the financial position of the Academy at fiscal year-end.

**B. State Foundation Funding** - Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Community schools must comply with minimum hours of instruction, instead of number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2017 Foundation funding for the Academy; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the Academy.

**C. Litigation** - The Academy is not a party to legal proceedings that, in the opinion of management, would have a material adverse effect on the financial statements.

**NOTE 11 - COMPLIANCE**

Ohio Administrative Code, Section 117-2-03 (B), requires the Academy to prepare its annual financial report in accordance with generally accepted accounting principles. However, the Academy prepared its financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The accompanying financial statements omit assets, liabilities, fund balance/net position, and disclosures that, while material, cannot be determined at this time. The Academy can be fined and various other administrative remedies may be taken against the Academy.

**BROOKWOOD ACADEMY****(A Component Unit of Reynoldsburg City School District)****Franklin County**Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2017**NOTE 12 - PURCHASED SERVICES**

During the fiscal year, purchased services expenses were as follows:

Management Services	\$ 32,739
Data Processing	9,110
Professional and Technical Services	192,905
Property Insurance	2,841
Rentals	144,000
Travel and Meeting expense	1,447
Transportation	341,897
Total	<u>\$ 724,939</u>

**NOTE 13 – CHANGES IN ACCOUNTING PRINCIPLES**

For fiscal year 2017, the Academy has implemented the following:

- GASB Statement No. 77, *Tax Abatements Disclosures*
- GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*
- GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*
- GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*

The implementation of these statements did not have an effect on the financial statements of the Academy.

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF OHIO  
EASTERN DIVISION


In re: : Case No. 17-  
:   
Brookwood Academy Inc. : Chapter 11  
:   
Debtor. : Judge

AFFIDAVIT OF JOEL McCLOSKEY

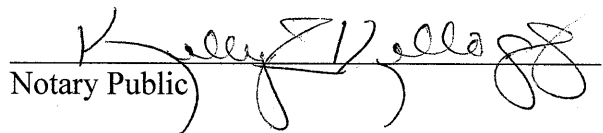
I, Joel McCloskey, after being duly sworn, hereby states, as follows:

1. I am over the age of eighteen, mentally competent, and have personal knowledge of the facts stated herein.
2. I am a resident of the State of Ohio.
3. I am the Treasurer of Brookwood Academy, Inc.
4. Brookwood Academy, Inc., is an Ohio 501(C)(3) non-profit corporation with its principal office in the City of Columbus, Franklin County, Ohio.
5. Brookwood Academy, Inc., does not maintain a separate cash-flow statement.

Further, Affiant Sayeth Naught.

  
\_\_\_\_\_  
Joel McCloskey

Signed and sworn before me, a notary public, this 28 day of August, 2017.

  
\_\_\_\_\_  
Notary Public

KELLY STINE KELLOGG  
NOTARY PUBLIC, STATE OF OHIO  
My Commission Expires 1/26/2021

**Fill in this information to identify the case:**

Debtor name Brookwood Academy Inc.

United States Bankruptcy Court for the: SOUTHERN DISTRICT OF OHIO

Case number (if known) \_\_\_\_\_

Check if this is an amended filing

Official Form 202

**Declaration Under Penalty of Perjury for Non-Individual Debtors**

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

**WARNING -- Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.**

**Declaration and signature**

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.

I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- Schedule A/B: Assets—Real and Personal Property* (Official Form 206A/B)
- Schedule D: Creditors Who Have Claims Secured by Property* (Official Form 206D)
- Schedule E/F: Creditors Who Have Unsecured Claims* (Official Form 206E/F)
- Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G)
- Schedule H: Codebtors* (Official Form 206H)
- Summary of Assets and Liabilities for Non-Individuals* (Official Form 206Sum)
- Amended Schedule*
- Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders* (Official Form 204)
- Other document that requires a declaration \_\_\_\_\_

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 28, 2017

X /s/ Ellen Wristen

Signature of individual signing on behalf of debtor

Ellen Wristen

Printed name

Executive Director

Position or relationship to debtor

**Fill in this information to identify the case:**

Debtor name **Brookwood Academy Inc.**

United States Bankruptcy Court for the: **SOUTHERN DISTRICT OF OHIO**

Case number (if known): \_\_\_\_\_

Check if this is an amended filing

**Official Form 204**

**Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders** 12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim		
				If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Arlene's Cuisine 1026 Dublin Road Columbus, OH 43215		Business debt				\$63,760.00
Baybrook & Associates 602 Uncapher Ave. Marion, OH 43302		Business debt	Disputed			\$179,121.00
Brookwood Presbyterian Church 2685 E. Livingston Ave Columbus, OH 43209		Past due lease payments				\$64,750.00
City of Reynoldsburg 7244 East Main Street Reynoldsburg, OH 43068		Business debt				\$187,202.05
City of Reynoldsburg 7244 East Main Street Reynoldsburg, OH 43068		Business debt				\$81,916.73
Prestige Adult Day Care 2101 S. Hamilton Road, Suite 100 Columbus, OH 43232		Business debt				\$121,917.00

Debtor **Brookwood Academy Inc.**  
Name \_\_\_\_\_

Case number (if known) \_\_\_\_\_

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services,	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
<b>U.S. Bank National Association c/o U.S. Bankcorp Center 800 Nicollet Mall Minneapolis, MN 55402</b>		<b>Business debt</b>				<b>\$12,288.38</b>



Arlene's Cuisine  
1026 Dublin Road  
Columbus, OH 43215

Baybrook & Associates  
602 Uncapher Ave.  
Marion, OH 43302

Brookwood Presbyterian Church  
2685 E. Livingston Ave  
Columbus, OH 43209

Brookwood Presbyterian Church  
P.O. Box 91350  
Columbus, OH 43209

City of Reynoldsburg  
7244 East Main Street  
Reynoldsburg, OH 43068

City of Reynoldsburg  
7232 East Main Street  
Reynoldsburg, OH 43068

Dennis L. Pergram  
50 North Sandusky Street  
Delaware, OH 43015

John E. Birkner  
814 Pleasant Ridge Ave  
Columbus, OH 43209

Prestige Adult Day Care  
2101 S. Hamilton Road, Suite 100  
Columbus, OH 43232

U.S. Bank National Association  
c/o U.S. Bankcorp Center  
800 Nicollet Mall  
Minneapolis, MN 55402