



Refocusing & Growth

2018

Huntsville Network for Urban School Renewal, Inc.
ANNUAL REPORT



2018 Annual Report

"In order for us as poor and oppressed people to become part of a society that is meaningful, the system under which we now exist has to be radically changed. It means facing a system that does not lend itself to your needs and devising means by which to change that system."

- Ella Baker



The quote by Ms. Baker above speaks to the very reason we do what we do. The prevalent education system continues to fail many of our children, particularly those who are minority and from marginalized communities, and we must change it. For too long the system has used cookie-cutter pedagogical approaches with the hopes of educating all children the same. Yet many children are languishing in failing schools subjected to catch-as-catch-can methods from a system that, perhaps for bureaucratic reasons, resists meaningful and appropriate reform, at least to the extent that the educational outcomes of the most marginalized students can change in a positive direction.

From the very beginning in 2011, the mission of HNUSR has been about changing the system for educating marginalized children. Over the years we've experienced some successes and some failures. We've had to fight unexpected distractors and suffer some losses, but our resolve remains strong! Every child deserves the chance to be successful and we must recreate systems that makes that success possible.

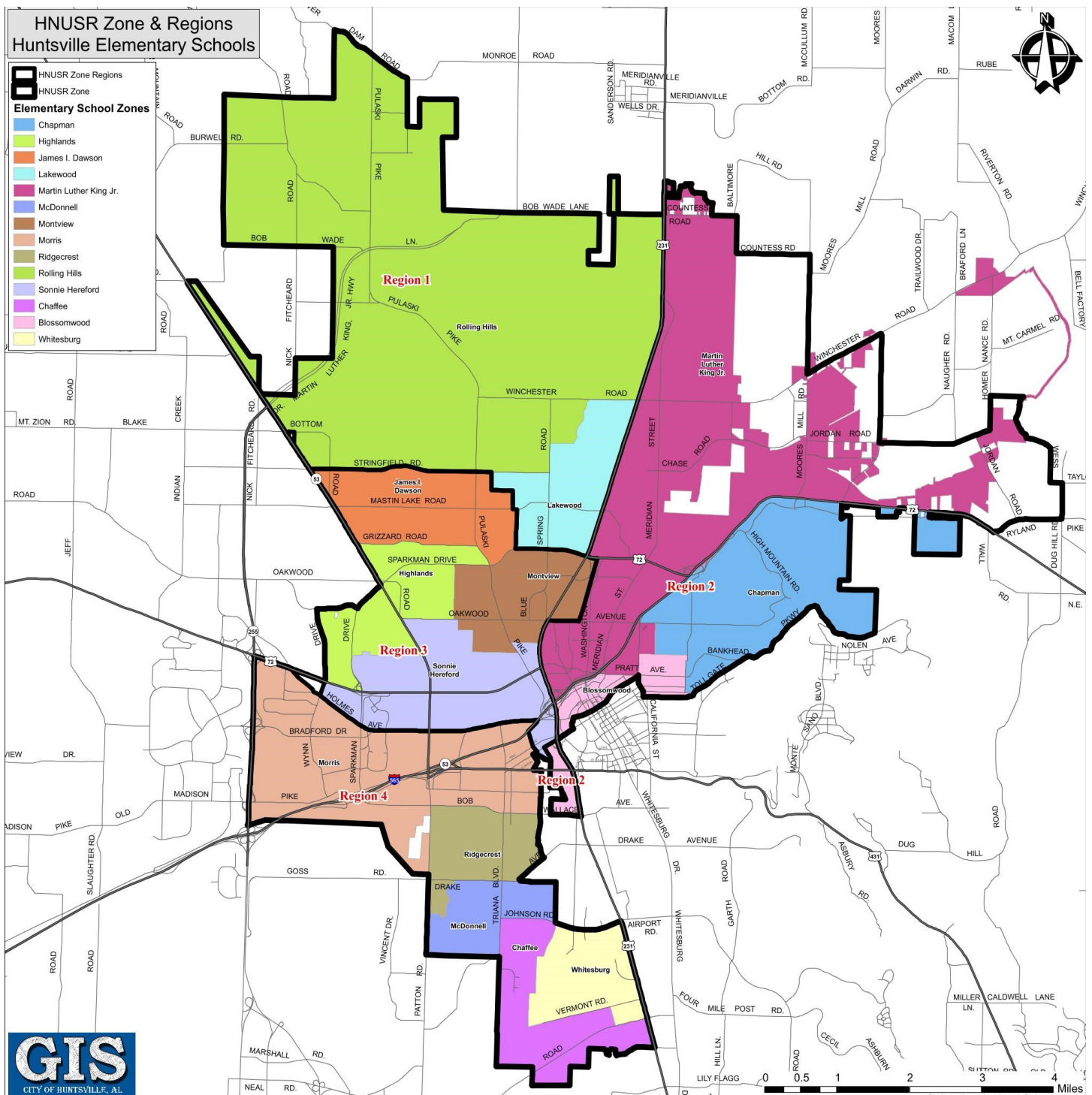
For this 2018 Annual Report, we have adopted the theme "Refocusing and Growth" because of the resiliency of our resolve. The year has been one where we haven't changed our core mission, but we have refocused our programs and services and moved in some strategic ways for growth. One such growth strategy has been to restructure our Board of Directors beginning in 2019 and provide them with the tools they need to ensure the stability of the organization. I believe a mission-minded Board will inherently provide both the financial, foundational and organizational wherewithal needed for HNUSR to achieve phenomenal growth in 2019.

2018 has felt like a new beginning for us and I'm excited about what God has in store. In 2019 we'll roll up our sleeves even more as we work to sustain and further our commitment to those whom the biblical Jesus is recorded as referring to as "the least of these."

Thanks for your continuous support and encouragement!

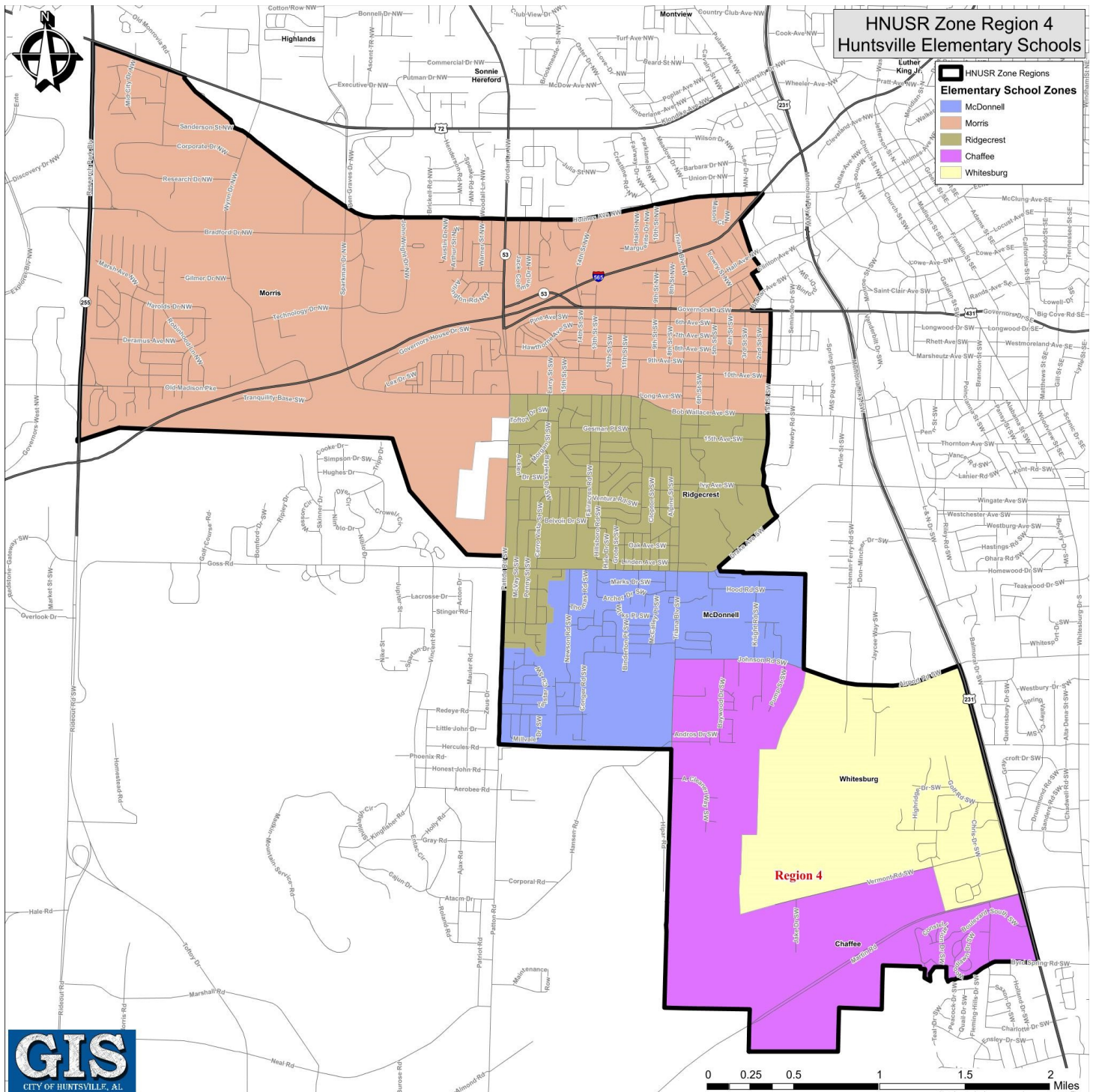
Edward L. Jones, Ph.D.
HNUSR President and CEO

HNUSR Zone



The HNUSR Zone is a 69.27 square mile area covering north and south side communities in Huntsville. 51% of the households in this Zone have median household incomes less than \$35K a year compared with Huntsville City as a whole where almost half (48%) of the households have household incomes of at least \$50K a year.

Region 4 Zone

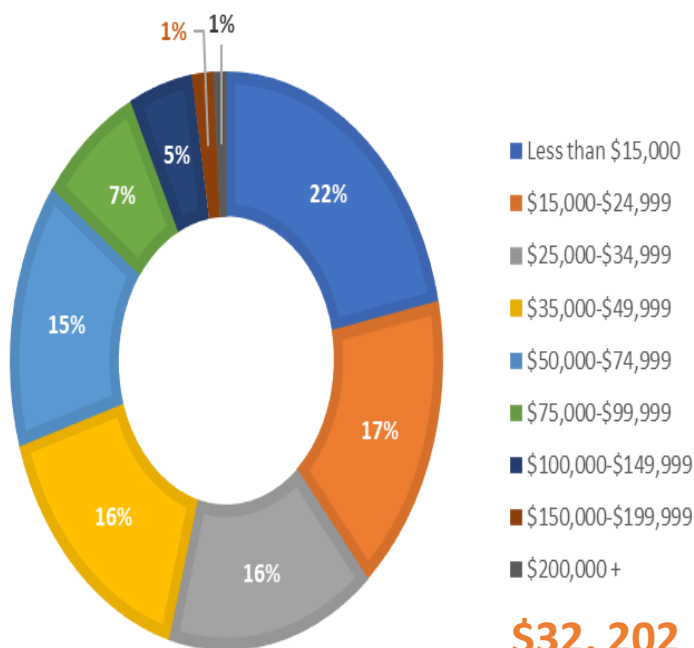


2018 was spent developing relationship with schools and communities in the Zone. Our greatest success was realized with the Whitesburg P-8 School. Consequently in 2019, HNUSR will strategically focus its development starting with the most underserved community in the Whitesburg P-8 School zone. We refer to the section of the Whitesburg P-8 school zone and other contiguous school zones that mainly serve these low-income communities as Region 4.

REGION 4 FAMILY DEMOGRAPHICS

HNUSR seeks the scholars furthest behind and the families most in need. We begin our work in Region 4.

REGION 4 HOUSEHOLD INCOME



\$32, 202
Median Household Income

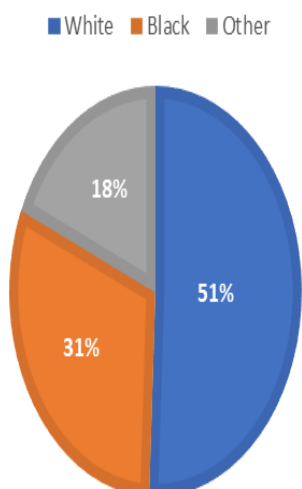


3,369
Grades K-8 Children



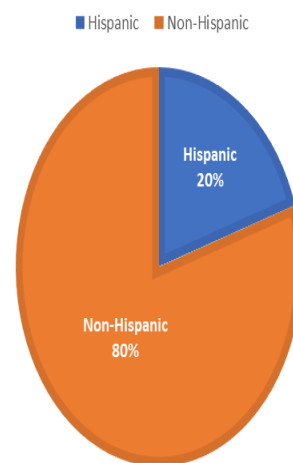
3,198
Families with Children

RACE



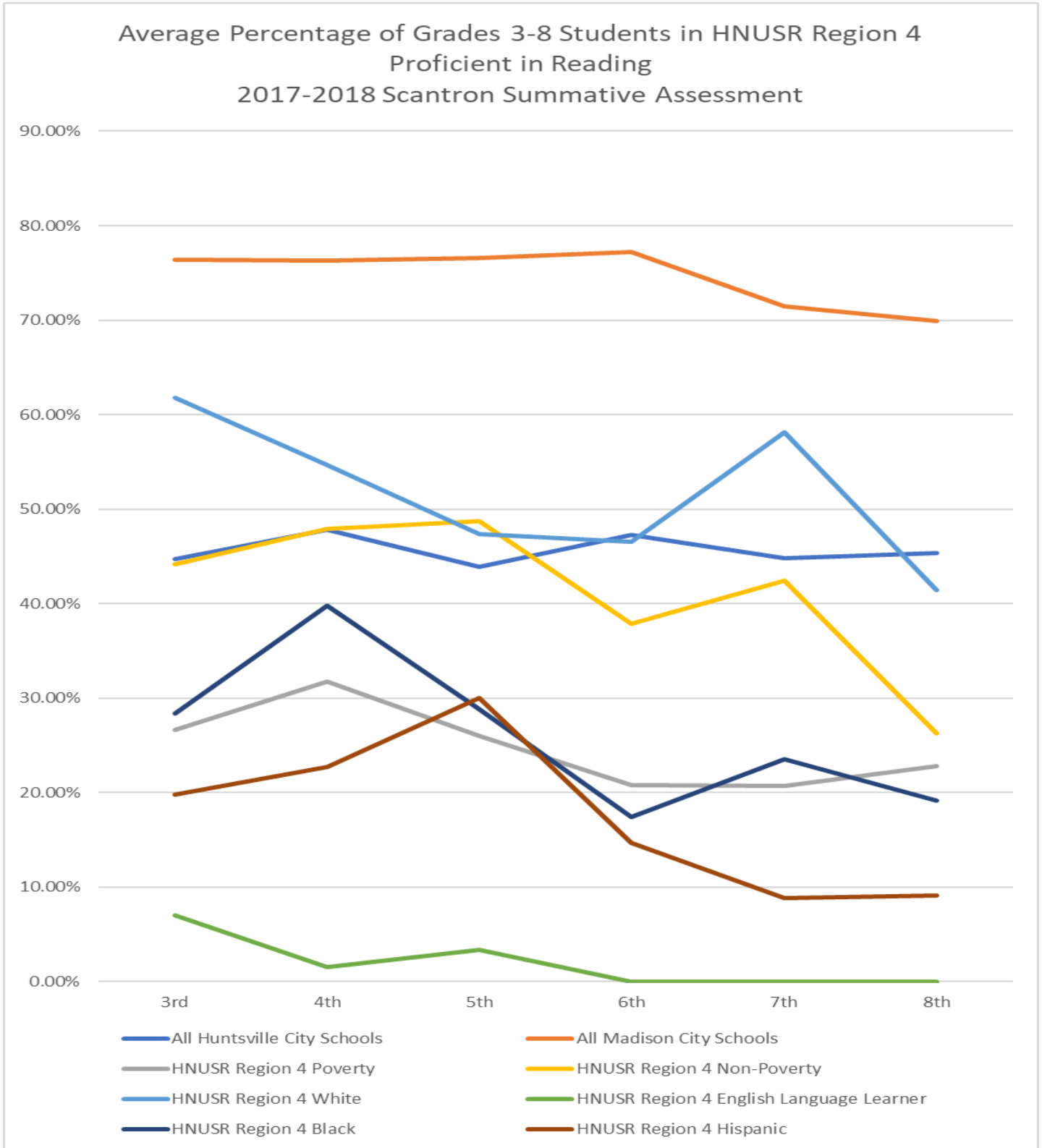
28,005
2018 Total Population

ETHNICITY



ACADEMIC PROFICIENCY

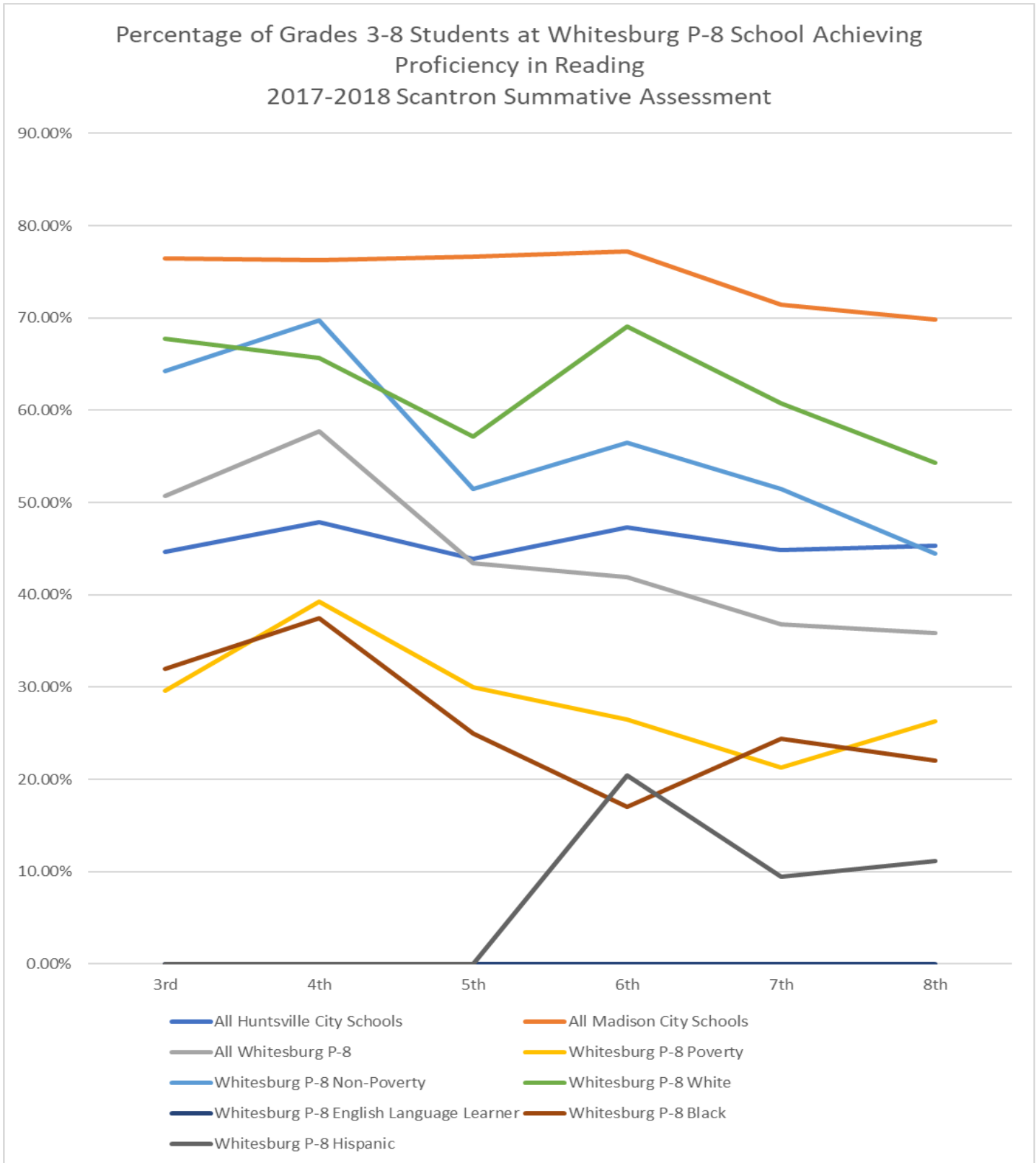
There is a significant achievement gap in Reading between children in different demographic groups. Affluent students (using the Madison City School System) perform the best and English Language Learners perform the worst.



Data retrieved and compiled using the Alabama State Department of Education website

ACADEMIC PROFICIENCY

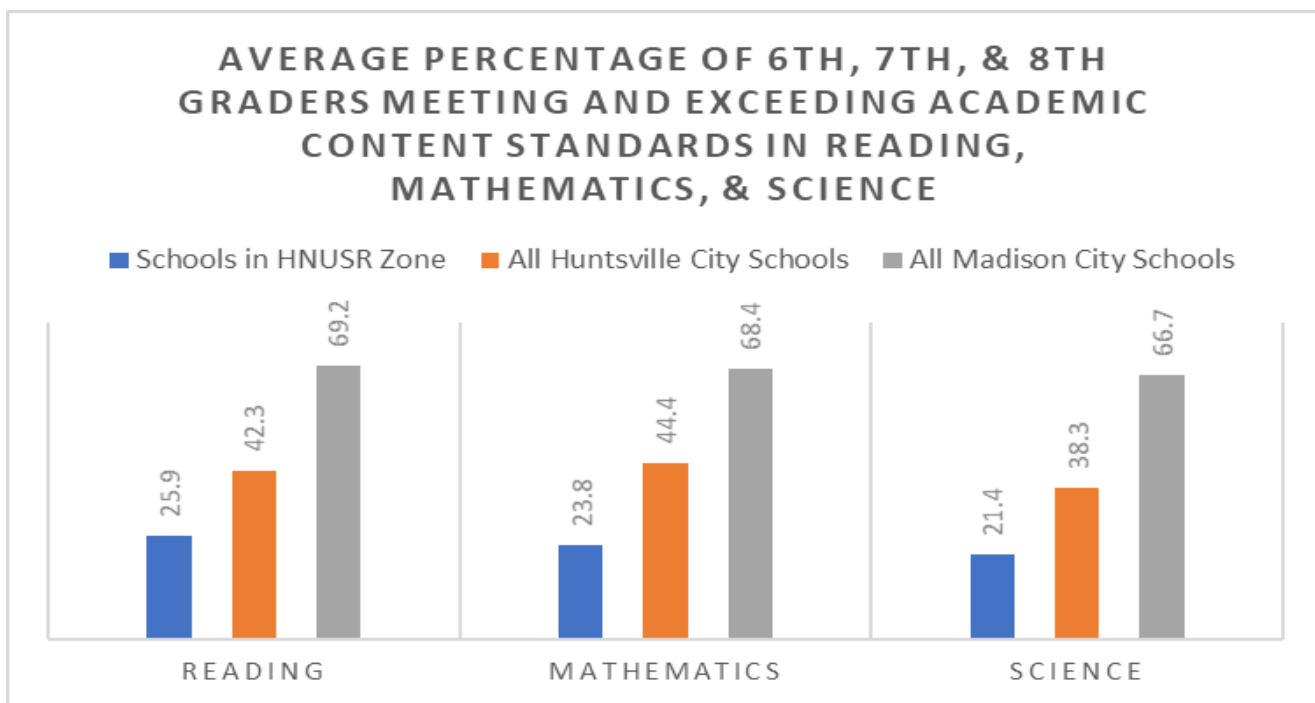
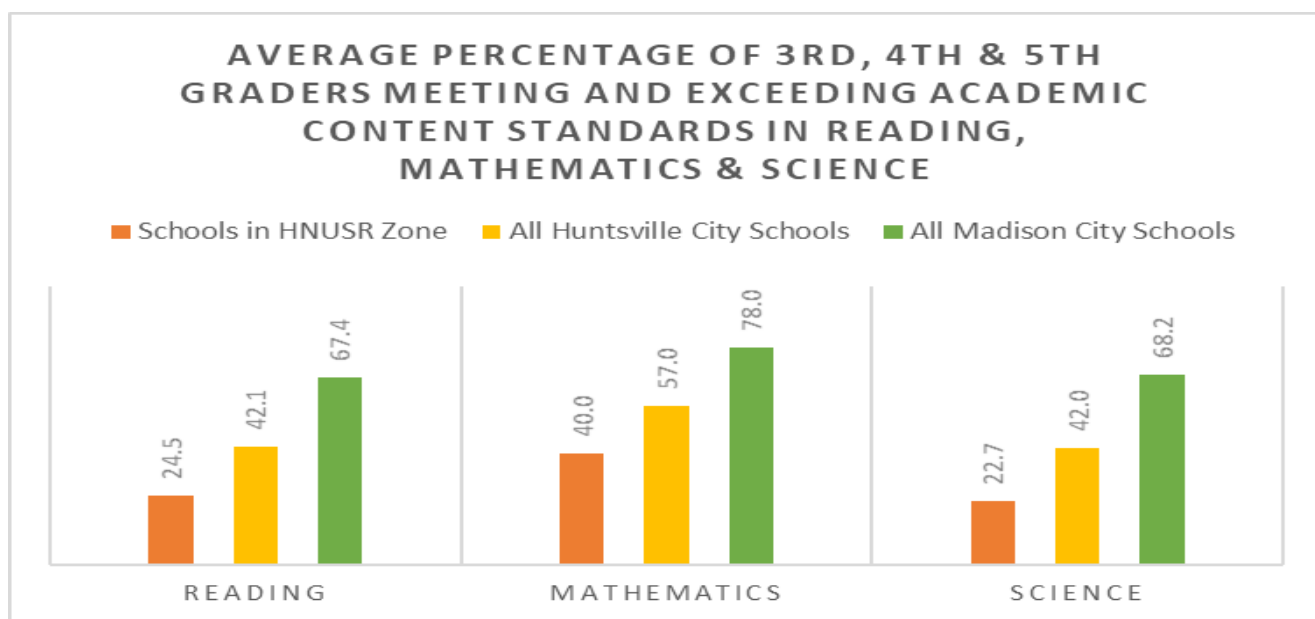
There is a significant achievement gap in Reading between children in different demographic groups at Whitesburg P-8 School. Affluent students (using the Madison City School System) perform the best and English Language Learners perform the worst.



Data retrieved and compiled using the Alabama State Department of Education website

ACADEMIC PROFICIENCY

Students from high poverty communities attending Huntsville City Schools perform worse on reading, mathematics, and science assessments than all students in Huntsville City Schools (69% low income) as well as their peers in the more affluent Madison City Schools (22% low income).



Achievement data was compiled from the last publicly available assessment information obtained from the 2014-15 administration of the ACT Aspire test as reported in the Alabama State Department of Education Data Center.

Thank You Donors

\$5,000 and above

Dr. Edward L. Jones



Dr. Edwina L. Jones

\$100 - \$200

Ronald Comer
Dr. Jesse Edwards
Charlotte Hammond

Claude Oliver
Mary Posey
Katina Walton

\$1 - \$50

Erlene Adams
Jack Bryant
Dr. Valerie Campbell
Darrel Campbell
Gwendolyn Carmon
Denise Chandler
Jeffrey Corbin
Dr. Carol Deakin
Harold Dickerson
Todd Dixon
Dr. Gwendolyn Foster
Dr. Edward Fubara
Antonio Hammond
Carlisle Hammonds
Brandon Hildreth
John F. James
Harrison Johnson
Camille Jones

Michael Jones
Algernon Knowles
Antoinette Knowles-Coleman
Clifford March
Alvin Odoms
Rodney Parker
Bertarius Peterson
Judge Posey
Tammy Robertson-Tackett
Christopher Rollins
Jerome Saintjones
Debra Scruggs
Jesse Sumlin
Pamela Thomas
Cynthia Thompson
Herman Thornton
Danesha Ward
Beverly White

FINANCIALS

FY 2018: January 1, 2018—December 31, 2018

Huntsville Network for Urban School Renewal, Inc.
Statement of Activities and Change In Net Assets
For The Year Ended December 31, 2018

Revenue	Unrestricted	Temporarily Restricted	Total
Contributions	\$51,453	\$512	\$51,965
Total Revenue	51,453	512	51,965
Expenses			
Program (Freedom School)	23,946		23,946
Total Program Expenses	23,946		23,946
Supporting Services			
Management and General	9,920		9,920
Fund-raising	6,685		6,685
Total Supporting Services	16,605		16,605
Total Expenses	40,551		40,551
Changes In Net Assets	10,902	512	11,414
Net Assets (deficit) at beginning of year	(9,676)	0	(9,676)
Net Assets (Deficit) At End of Year	\$1,226	\$512	\$1,738

[See accompanying notes to financial statements](#)

FINANCIALS

FY 2018: January 1, 2018—December 31, 2018

Huntsville Network for Urban School Renewal, Inc.

Statement of Financial Position

As of December 31, 2018, AND 2017

	2018	2017
Current Assets		
Cash	\$16,739	(\$4,308)
Accounts Receivable		\$3,000
Total Current Assets	<u>16,739</u>	<u>(1,308)</u>
Property and Equipment		
Equipment	1,231	414
Furniture	5,651	4,624
	6,882	5,038
Less: Accumulated Depreciation	(1,331)	(302)
Net Property and Equipment	<u>5,551</u>	<u>4,736</u>
Total Assets	<u>\$22,290</u>	<u>\$3,428</u>
Current Liabilities		
Accounts Payable	\$19,054	
Accrued Liabilities	1,498	
Total Current Liabilities	<u>20,552</u>	
Nets Assets (DEFICIT)		
Unrestricted	1,226	3,428
Temporarily restricted	512	
Total net assets (deficit)	<u>1,738</u>	<u>3,428</u>
Total Liabilites & Net Assets (Deficit)	<u>\$22,290</u>	<u>\$3,428</u>

[See accompanying notes to financial statements](#)

FINANCIALS

FY 2018: January 1, 2018—December 31, 2018

Huntsville Network for Urban School Renewal, Inc.

Statement of Cash Flows

For The Year Ended December 31, 2018

Cash Flows From Operating Activities 2018

Changes in Net Assets (deficit) \$11,414

Adjustments to reconcile changes in net assets (deficit)
to net cash (used) provided by operating activities

Depreciation 1,029

Accounts Receivable 3,000

Accounts Payable & Accrued Liability 20,552

24,581

Net Cash (used) provided by operating activities 35,995

Cash Flows From Investing Activities

Equipment (817)

Property (1,027)

Net Cash used by investing activities (1,844)

Cash Flows From Financing Activities

Negative Opening balance (13,104)

Net Cash provided by financing activities (13,104)

Net (decrease) increase in cash and cash equivalents 21,047

Cash at beginning of period (4,308)

Cash At End of Period \$16,739

[See accompanying notes to financial statements](#)

FINANCIALS

FY 2018: January 1, 2018—December 31, 2018

Huntsville Network for Urban School Renewal, Inc.

Statement of Functional Expenses

For The Year Ended December 31, 2018

	Program Services	Supporting Services		Total Program & Support Services
	Freedom School	Fund-Raising	Management	
Payroll	\$8,358	\$2,786	\$2,786	\$13,930
Wages	4,141	1,380	1,380	6,901
Payroll Taxes	397	132	132	662
Total Salaries & Related Expenses	12,896	4,299	4,299	21,493
Professional Fees and Subscriptions	994	331	331	1,657
Supplies and Equipment	1,214	82	2,042	3,339
Utilities	809	270	270	1,348
Office Lease	4,680	1,560	1,560	7,800
Advertising & Marketing	1,862			1,862
Miscellaneous	1,301	120	603	2,023
Total before Depreciation of Equipment and Property	23,755	6,662	9,105	39,522
Depreciation of Equipment and Property	190	24	815	1,029
Total Expenses	\$23,946	\$6,685	\$9,920	\$40,551

[See accompanying notes to financial statements.](#)

FINANCIALS

FY 2018: January 1, 2018—December 31, 2018

Summary of Significant Accounting Policies and General Information

Basis of presentation

The accompanying financial statements are presented on the accrual basis of accounting, and for the internal use of Huntsville Network for Urban School Renewal, Inc. (HNUSR)

The net assets are reported as follows:

Unrestricted net assets include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of HNUSR.

Temporarily restricted net assets include revenue and contributions subject to donor imposed stipulations that will be met by the actions of the Freedom School and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Functional Allocation of Expenses

The costs of providing the Freedom School and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated to the Freedom School using the direct method (hours worked) and supporting services benefited.

Property and equipment

Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets as follows:

Equipment (Computer & Printer) 5 years
Property (Cabinetry, Furnishing) 7 years
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Reclassification

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation.

Prior Period Adjustments Due to Errors

Property and computer equipment was acquired during 2017 at the cost of \$4,624 and \$414, respectively; however, the depreciation expenses were omitted for these fixed assets in the year of acquisition. As a result, a prior period adjustment was made for depreciation expense of \$302 to correct the valuation of fixed assets and net assets recorded at December 31, 2017. Cumulative impact of correction reduces net assets by \$302.

In 2015, a \$13,204 liability was incurred related to the AmeriCorps Vista cost share program, which was omitted on the 2015 financial statement. As a result, a prior period adjustment was made to recognize the liability and adjust net assets. Cumulative impact of correction reduces net assets to \$(13,026) for the period year December 31, 2015.

