

Fred Turner:

I am pleased to inform you that Group Excellence has been granted probationary approval status by the Michigan Department of Education (MDE) to be a provider of supplemental educational services (SES) under Section 1116(e)(4) of Title I of the *Elementary & Secondary Education Act*, as amended by the *No Child Left Behind Act of 2001*. The list of approved providers for the 2011-12 academic year will be posted on MDE's website at www.michigan.gov/mde-ses. Please read the attached information regarding your probationary status as a new state-approved SES provider.

Each local school district or public school academy with a Title I school that has failed to make adequate yearly progress for three or more consecutive years will provide parents with a list of approved SES providers in their area. Each district will contact you, the provider, to begin negotiating an SES contract.

In addition, MDE is required to develop and implement methods for monitoring the quality and effectiveness of the SES provided. To meet this requirement, MDE is currently engaged in a formal evaluation of currently approved providers. MDE will be required to withdraw approval if a provider fails for two consecutive years to contribute to improved academic achievement for the participating students.

All newly approved SES providers in Michigan must attend an orientation session. Within the next 30 days you will receive a separate communication with the date and time of the orientation session.

Your probationary status will be reviewed after the completion of the 2011-12 academic year. Providers that have met the probationary requirements will be granted full approval status. Those that have not met the probationary requirements will be considered on a case by case basis. This may result in either an additional year of probation or removal from the state approved SES provider list. There is no appeal process; all decisions made by MDE are final.

Thank you for your interest in working with students who need additional educational opportunities in order to improve their academic skills. If you have any questions regarding SES, please contact Greg Olszta, SES Consultant, at 517-241-4715 or MDE-SES@michigan.gov.

Mark Coscarella, Assistant Director
Office of Education Improvement & Innovation



OFFICE OF SCHOOL IMPROVEMENT

SUPPLEMENTAL EDUCATIONAL SERVICES PROBATIONARY STATUS INFORMATION

2011-12 PROBATIONARY STATUS - IMPORTANT!

All newly approved SES providers are placed on probationary status for one year.

During the Probationary Period, Providers Must:

- a) Attend the SES new provider orientation session presented by the Michigan Department of Education
- b) Participate in any other school district or State sponsored SES training that is mandatory for new providers

During the Probationary Period, Providers are subject to:

- a) All applicable local, state, and federal laws, policies and agreements related to the provision of supplemental educational services
- b) This includes, but is not limited to:
 - o Title I, Part A, Section 1116
 - o United States Department of Education (USED) SES Non-Regulatory Guidance of January 14, 2009
 - o Michigan's Assurances and Code of Ethics for SES providers
 - o Contracts with individual school districts or public school academies (PSAs)

Failure to meet any of the above requirements will lead to immediate corrective action, leading up to and including removal from the state approved SES provider list.

At the conclusion of the probationary year, each newly approved SES provider will go through a final review process for determination of status.

In order to be granted full approval (non-probationary) status, providers must:

- a) Have met all requirements above or have a valid explanation, if a requirement is not met.
- b) Provided services for eligible students
- c) Be free of any corrective action or pending corrective action

The MDE will review provider status and decide on one of the following options:

- a) Full approval
- b) An additional year of probation
- c) Removal from the state approved SES provider list

All decisions made by the MDE are final. There is no appeal process.

Please note that being placed on the Approved List does not guarantee that an SES provider will be selected by parent(s)/legal guardian(s) to provide services.



Office of Education
Improvement & Innovation

Supplemental Educational Services
Application Review Consensus 2011-2012

Entity Name: Group Excellence

Criterion	Consensus Score	Min Score Needed	Min score Met?	Comments
1	28	20	Yes	None
2	14	10	Yes	None
3	9	7	Yes	None
4	8	7	Yes	None
5	8	7	Yes	None
6	10	7	Yes	None
7	10	7	Yes	None
8	5	3	Yes	None
9	5	-	-	-
Application Total	97	Met Min in all Criteria?	Yes	

Hourly Rate Calculation			
\$2000 +	\$70.00	= 29	20
Per pupil Allocation	Maximum fee per hour	Calculated hours of instruction	Minimum number of hours required for student to achieve their individualized learning goals

Is the total application score 85 or greater?	Yes
Did the application met the minimum in each criterion?	Yes
Is the hourly rate calculation sufficient?	Yes
Does the applicant entity ever lower the hourly rate to guarentee each student receives a specific # of service hours?	n/a
Is the application recommended for approval?	Yes

SECTION A. BASIC PROGRAM INFORMATION

Please enter the requested information in the spaces provided. Be sure to read all notes, as they provide important information regarding each category.

IMPORTANT NOTE: Once approved, providers must operate within the information identified in this application.

Changes in application information may be requested in writing to MDE prior to the beginning of the application process in subsequent years. The request must include the rationale for the changes. All changes must receive written approval from MDE prior to implementation and will be determined on a case by case basis. This includes, but is not limited to, information changes in the following categories:

- Tutor qualifications
- Grade level
- Hourly rate
- Maximum and minimum number of students
- Curriculum
- Service session information
- Tutor/Student ratio
- Service area

Instructions : Complete each section in full.

1. Federal EIN, Tax ID or Social Security Number:

2. Legal Name of Entity:

Group Excellence, Ltd.

3. Name of Entity as you would like it to appear on the Approved List:

Group Excellence

4. Entity Type:

- For-profit
 Non-profit
 Michigan corporation
 Corporation organized in another state
 Individual

5. Check the category that best describes your entity:

- Business
 Child Care Center
 Community-Based Organization
 Educational Service Agency (e.g., RESA or ISD)
 Faith-Based Organization
 Institution of Higher Education
 Other (specify):
 School District (LEA, ISD)

Provide Michigan (or other state) Corporation ID number
 L96230

NOTE: An LEA or an ISD that is identified for Improvement, Corrective Action, or Restructuring as a district is NOT an eligible applicant.

6. Applicant Contact Information (Only the two individuals listed on this application will have access to the information contained within the application)

Name of Contact: *

Mr. Ms.

First Name: Fred

Last Name: Turner

Phone: * (800) 439 - 7803 e.g. (xxx) xxx - xxxx

Fax: * (800) 439 - 7803 e.g. (xxx) xxx - xxxx

Street Address: 13111 N. Central Expy
 Ste 230

City: *

Dallas

* TX

Zip: * 75243

State:

E-Mail: * MI@mygex.com

Website http://www.groupexcellence.org

7. Local Contact Information (This contact information will be published)

Name of Contact: *

Mr. Ms.

First Name: Fred

Last Name: Turner

Phone: * (800) 439 - 7803 e.g. (xxx) xxx - xxxx

Fax: * (800) 439 - 7803 e.g. (xxx) xxx - xxxx

Street

Address: 13111 N. Central Expy

* Ste 230

City: *

Dallas

* TX

Zip: * 75243

State:

E-Mail: * MI@mygex.com

Website: http://www.groupeexcellence.org

8. SES History:

Is the applicant entity a current or past approved SES provider in Michigan under applicant entity name or any other name?

Current SES provider? Yes Provide entity name:Past provider? Yes List previous provider company name(s):

Is the applicant entity a current or past approved SES provider in any other state?

 Yes No

If yes, list the state(s) in which entity has been an approved SES provider:

Texas

Has the applicant entity ever had any official action taken against it by any state, including but not limited to a formal warning, prohibition of service, or removal from a state-approved SES provider list, or other approval as a provider of educational services to state or local educational agencies (LEA)?

 Yes No

If yes, explain:

Have any other individuals associated with or providing support to this applicant entity ever been an SES provider that had any official action taken against them by any state, including but not limited to a formal warning, prohibition of service, or removal from a state-approved SES provider list, or as a provider of other education related services to a state or LEA?

 Yes No

If yes, explain:

9. Service Area:

List the intermediate school district and each individual district in which you agree to provide services. Enter "Statewide" ONLY if you agree to provide services to any district in the State of Michigan. By indicating that you will serve a specific district (or all districts, if you indicate "Statewide"), you agree to provide services to any student in that district whose parent(s)/legal guardian(s) select you as their provider within minimum and maximum capacity. Additionally, you may only enroll students from the districts identified in this application, and you may not add additional districts once the application is approved.

 Statewide

Intermediate School Districts and Individual School District Choices

Flint City School District

Lansing Public School District

Pontiac City School District

Detroit City School District

10. Conflict of Interest Disclosure:

Are you or any member of your organization currently employed in any capacity by any public school district or public school academy (charter school) in Michigan, or do you serve in a decision making capacity for any public school district or public school academy in Michigan (i.e. administrative staff, school board member)?

 Yes No

What school district are you employed by or serve:

In what capacity are you employed by or do you serve (position title):

A school or school district may apply to become an approved SES provider. However, the administration of the SES program by the school or district must be separate and distinct from the school or district's SES provider entity. In effect, the school or district's SES provider entity must function and behave as if it were an outside organization. A potential conflict of interest, even if disclosed, may be reason to deny the application or to deny the approval of the applicant to serve one or more districts requested in the application.

11. Place of Service:

Check the location(s) that best describe(s) where you intend to deliver services to students. If you select "Via Technology," please use the

Criteria 2 narrative to identify the type of technology used, describe where the students will access the service and whether it is distance learning. Describe how the session will be facilitated and monitored.

- Community Center
- LEA Facility (Checking this box does not guarantee space will be available in district buildings to offer tutoring. SES Providers must work with each district to gain access to school facilities. Space in school buildings varies by district).
- Place of Business
- Place of Religious Worship (e.g., church, synagogue, mosque, temple)
- Student's Home
- Via Technology (site-based)
- Online
- Other (specify):

12. Transportation:

Do you provide transportation? (If "yes", Districts will require additional insurance.)

- Yes
- No
- At select sites only

13. Subject Areas:

Check all that apply.

- English language arts
- Mathematics
- Science
- Social studies

Providers must offer tutoring in English Language Arts and/or math. Newly approved providers may offer additional tutoring in science and/or social studies. Previously approved providers wishing to add tutoring in science or social studies must have submitted a written request to MDE detailing the elements of the instructional design and connections to Michigan's content standards for these subjects.

14. Grade Levels:

List each grade to be served. The program described must address each of the grade levels indicated.

- K
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12

Note: Applicants proposing to serve grade levels 7-12 and to provide tutoring in math and science to grade levels 7-12 will receive 5 bonus points to be added to the total score. NOTE: Both math and science must be proposed for grades 7-12 in order to receive bonus points!

15. Minimum Number of Students:

Indicate the minimum number of students needed in order to provide services in each district. 100

16. Maximum Number of Students:

Indicate the maximum number of students that may be enrolled in each district. This number should allow the applicant entity to maintain quality service and results. 5000

17. Specific Student Populations:

Indicate which sub-groups the applicant entity will be qualified to serve:

English Language Learners (ELL)

- Yes
- No

If yes, in which language:

Spanish

Students with Disabilities:

- Yes
- No

If yes, which disabilities:

Students who are able to work in our current program model.

18. Session Information:

Ideally, how many days per week would a student be scheduled for services?

2 days

Ideally, for how long each day would a student receive services (in minutes)?

60 minutes

How many hours are required for a student receiving tutoring in your program to achieve their individualized learning goals?

20 hours

Applicants must ensure that the maximum hourly rate identified in number 19 of this application is low enough to allow for the number of hours required to achieve individualized learning goals or that this number is equal or lesser than the guaranteed number of service hours you identify in number 18.

19. Hourly Rate:

List the maximum fee per hour of instruction, per student. \$70.00

The MDE does not allow approved SES providers to charge fees outside of the maximum fee per hour of instruction, per student identified above. The hourly rate should include the cost for all program expenses including, but not limited to: facility expenses, administrative costs, assessment materials, salaries, equipment, software and instructional materials.

Once approved, providers may not exceed the maximum hourly rate indicated above during the academic year identified in this application. Changes in hourly fees may be requested in writing to the MDE prior to the beginning of the application process in subsequent years. The request must include the rationale for the change in the charges. Any increase in rates or fees must receive approval from the MDE prior to implementation.

Does your program ever lower the hourly fee to guarantee each student receives a specific number of service hours?

Yes No

If yes, what is the guaranteed minimum number of service hours each student receives: 20

Applicants must ensure that the maximum hourly rate you identify in this section is low enough to allow for the number of hours required to achieve individualized learning goals you identified in number 18 or that this number is equal to or lesser than the guaranteed number of service hours you identified here in number 19.

20. Tutor/Student Ratio:

Indicate the maximum number of students who will be assigned to each tutor per session. Student/tutor ratios should fall within the following ranges:

- 1-5 students:1 tutor for non-computer based instruction
- 1-8 students:1 tutor for computer based instruction in a classroom or lab setting
- 1-30 students:1 tutor for online instruction with an off-site facilitator

0 students:1 tutor—Non-Computer based instruction

5 students:1 tutor—Computer-based instruction (classroom setting)

1 students:1 tutor—Online instruction (off-site facilitator)

21. Program Summary:

Please summarize your program in a narrative form. The description should be 1,000 characters or less and include the following information::

- Your approach or model of instruction, including assessment and goal-setting procedures;
- The structure of a standard tutoring session including length of sessions, frequency of sessions, length of sessions and student /teacher ratio;
- The instructional materials that will be used; and
- Tutor qualifications.

Please note that this summary will be used by the MDE and/or by the LEAs you serve to describe your services to parent(s)/legal guardian(s) and/or to the public. **The MDE reserves the right to edit your description for space considerations, but will not edit for spelling errors or typos. It is highly advised that you proofread your program description carefully.**

Minimal rewards, up to a total of \$20.00 per student annually, are allowed for attendance or achievement, but may not be advertised in the program description. Technology-based providers that allow students to keep computers at the completion of services may not disclose this information in the program summary.

Group Excellence (GE) provides online and in-person mentoring and direct instruction to students in grades 3-12. Our tutors work in small groups with students to target student skill gaps. Students receive direct instruction either in-person from our tutors or via the Internet through our online chat feature which connects students with a live tutor. Lessons are 2-4 times each week for 60-120 minutes. Our programs use SureStudy, a research-based curriculum that has been empirically proven to produce positive results. Lessons are selected based on student needs so students learn the material they need to know to perform well in school, thereby raising student achievement. We strive to hire certified teachers, and we prefer to hire tutors with an advanced degree whenever possible. If it is not possible to hire certified teachers, our minimum qualifications for tutor applicants is that they must have completed at least 2 years of study at an institution of higher education or hold an associate's (or higher) degree.

SECTION B. CRITERIA

Instructions: All responses must comply with stated word or character limits, where applicable. Figures such as tables, charts, graphs can be uploaded at the end of the application, but such information will be counted toward page limits. Text and figures beyond the stated page limit will not be considered and should not be submitted with the application. All references must be cited. Use American Psychological Association (APA) citation style when referencing your research and provide a reference list that includes every in-text citation. The Reference List should be uploaded in the online application, Section E. Information on APA citation style may be found at the website of the Cornell University Library at the URL:

<http://www.library.cornell.edu/resrch/citmanage/apa>

Applications that contain plagiarized information will not be considered.

Criterion 1 (30 points):

Financial Soundness and Management Structure

Rationale: The No Child Left Behind Act of 2001 (NCLB) Section 1116(e)(12)(B)(iii) requires providers to be financially sound. Your application will be evaluated on your ability to demonstrate financial soundness and sound management structure through a review of financial and licensure documentation.

Required Documentation: Attach the following documents which will be used to determine that your entity is financially sound. **ALL of these items are required.**

- **Cash-on-Hand:** Applicants must provide evidence that there is enough cash-on-hand to support the business for at least six months. Examples of sufficient evidence are: savings account or checking account statements, notarized letters from investors identifying the investment amount available, evidence of an available line of credit or loan from a financial institution. The amount identified should be enough to cover all projected revenue and expenses for **at least six months for the maximum number of students per district** identified in the application. Narrative text that states the money is available is not sufficient evidence of cash-on-hand.
NOTE: Tax documents are not considered evidence of cash-on-hand. Applications submitted with tax documents as evidence of cash-on-hand are considered incomplete and will not be reviewed.
- **Cash Flow:** Applicants must provide an organizational cash flow that accounts for and details all **monthly projected revenue and expenses for at least twelve months, ending in June 2012.**
- **Expense Minimum:** Applicants must provide a comprehensive list of expenses necessary to serve the **the minimum number of students per district** identified in the application (See Section A, "Basic Program Information" #15).
- **Expense Maximum:** Applicants must provide a comprehensive list of expenses necessary to serve the **maximum number of students per district** as identified in the application (See Section A, "Basic Program Information" #16).
- **Corporate Organization:** Applicants must provide a copy of their business license, if applicable, and formal documentation of corporate legal status as a corporation organized in Michigan or another state (must include copy of certificate of incorporation identifying the state issued corporation ID number), and if relevant, proof of 501(c)(3) tax-exempt status).
- **Insurance:** Applicants must provide a copy of their liability insurance or a recent quote (60 days or less from date of application submission) from an insurance agency that reflects your intent to obtain general liability insurance (Note: the cost of insurance should be included in the cash-flow document and also in the comprehensive list of expenses for the minimum and maximum number of students per district);
NOTE: individual school districts may require additional professional liability insurance coverage.
- **Billing and Payment:** Applicants must provide sample invoices and other business documents for tutoring services identifying that a management structure related to billing and payment for tutoring is in place.
- **Financial Narrative:** Applicants must provide a one-page narrative explaining how the financial documents listed above represent a strong business plan.

The financial documents should only identify revenue and expenses for the Michigan applicant entity. If the applicant entity is part of a national franchise, for instance, only the revenue and expenses directly related to this Michigan applicant entity should be identified in the financial documents. Likewise, if the applicant operates other businesses, the costs associated with these businesses should not be included in the budget. Revenue associated with other businesses may be a viable contribution, but should have sufficient documentation.

Criterion 2 (15 points):

Demonstrated Record of Effectiveness in Increasing Student Academic Achievement

Rationale: Providers must have a demonstrated record of effectiveness in increasing the academic proficiency of students in subjects relevant to meeting the state academic content and student achievement standards [NCLB Section 1116(e)(4)(B)]. In addition, an applicant must provide evidence that its instructional methods and content are aligned with state academic content and student academic achievement standards, and are of high quality, research-based, and specifically designed to increase the academic achievement of eligible children (Final Title I Regulations of October, 2008).

Evaluation: Your application will be evaluated on your ability to demonstrate your record of effectiveness in Michigan and/or other state(s) in increasing academic achievement, particularly for low-income and/or underachieving students, in the subjects and grade levels in which you intend to provide services. Data that provides evidence of a positive impact on Michigan state assessments will provide the applicant with the opportunity to enhance the score for Criterion 2.

If you have served students as a SES provider in other states but not in Michigan, provide data documenting your effectiveness in those states.

If you have not served students as an approved SES provider, the requirements apply to the instructional program that you propose to use in Michigan.

Evidence that will be considered includes:

- Data that demonstrate a positive impact on national, Michigan, another state's, and/or district assessments;
- Data that demonstrate a positive impact on other independent, valid and reliable assessments (e.g., provider-administered assessments, teacher-administered content area assessments);
- Data that demonstrate a positive impact on course grades;
- Data that demonstrate positive feedback from customers (e.g., parent(s)/guardian(s), students, LEAs) related to the effectiveness of the instructional program)
- Data that demonstrate a positive impact on other indicators (e.g., student attendance, student behavior/discipline, retention/promotion rates, graduation rates).
- Feedback from constituent groups (parent(s)/guardian(s), students, LEAs) about the effectiveness of the proposed delivery model, the instructional program in the intended subject areas and grade levels, particularly for low-income and/or underachieving students.

Narrative (limit 7,880 characters): Cite and reference available research studies (as appropriate) and **provide data** that indicate the instructional program has a positive impact on the academic achievement of students in the subjects and grade levels in which you intend to provide services, particularly for low-income and/or underachieving students.

- Use American Psychological Association (APA) citation style when referencing your research and provide a Reference List that includes every in-text citation. The Reference List should be uploaded in Section E. Information on APA citation style may be found at the website of the Cornell University Library at the URL: <http://www.library.cornell.edu/resrch/citmanage/apa>

If you intend to serve students with disabilities or students with limited English proficiency, cite and reference available research studies (as appropriate) and **provide data** that indicate the positive impact your program is expected to have on the academic achievement of those student population(s).

We deliver small-group instruction and online asynchronous lessons (which include live chat with tutors, messaging, and custom explanations for each question in the lesson). We use the SureStudy curriculum and students take our online lessons either at school while working with a tutor or at home with a tutor available via chat and/or messaging. Our online system uses computer-adaptive technology that immediately responds to a student's skill level on each lesson, thereby allowing Group Excellence (GE) to quickly adjust content based on a student's progress. GE has not provided academic services in Michigan. Therefore, we do not have documented evidence of program effectiveness on Michigan State Assessments. However, GE is currently approved in Texas and during our time serving Texas students our programs have been independently evaluated and shown to be effective. Over the last three years, GE has served more than 20,000 students in Texas. Our program effectiveness has been evaluated using several measures including state testing data on the Texas state assessments (the Texas Assessment of Knowledge and Skills: TAKS), internal evaluation of data from students, and independent and internal client surveys. These results are summarized below.

Independent reports on our effectiveness include the 2006-2007 and the 2007-2008 Dallas Independent School District's Title I School Improvement reports; the State of Texas's Supplemental Educational Services Report for 2006-2007; and the Dallas Independent School District's Management Report on the Algebra Initiative for 2005-2006. These reports indicate that the students we served made significant improvements in the Texas Assessment of Knowledge and Skills (TAKS) state achievement test scores compared to students within the same schools and within the same district that did not receive tutoring from Group Excellence. For reference, TAKS is a standardized test used in Texas primary and secondary schools to assess skills required under Texas education standards. Evidence of the statistical validity of the TAKS exam with results well above acceptable standards is reported in the Journal of Border Educational Research (Burk et al., 2005).

Dallas ISD analyzed SES tutoring data as part of its Title I Improvement Analysis for 2006-2007. When data was disaggregated by provider and campus, SES students served by Group Excellence (N=59) showed larger annual gains in both English Language Arts/Reading (34 points) and math (18 points) than other providers. Group Excellence also showed better participation rates than other providers. Of the three campuses served by Group Excellence, Roosevelt (N=16) had the most remarkable gains in reading (98 points) and math (59 points). DISD went on to devote several pages to SES sessions provided by Group Excellence, concluding: "The best part of the Group Excellence SES sessions, according to the evaluators' observations, was in its non-traditional tutoring settings, a nurturing environment, and the natural connections between tutors and tutees. Rather than tutors repeating what was learned in the classroom, the Group Excellence approach enabled college students to help high school students in a self-learning setting. Tutors and students were close in age and shared common language and similar experience."

In the June 2009 evaluation report from the Center for Research in Educational Policy report on Supplemental Educational Services for the State of Texas, Group Excellence was the only provider to receive an "Above Standards" rating in Math or English/Language Arts. This rating indicates that our students made substantive achievement gains which were statistically significant with effect size greater than +0.25. The same report surveyed stakeholders regarding their perception about providers. One hundred percent of district coordinators, 100% of principals/site coordinators, and 100% of parents strongly agreed with the statement that "Overall, I am satisfied with the services that this provider/with the services that my child received" when asked about Group Excellence.

Results of the Dallas ISD Algebra Initiative were evaluated in an independent review by the district's Office of Applied Research. During the Algebra Initiative, we provided tutoring in twice-weekly sessions of one hour each at four schools in the 2004-05 and 2005-06 school years. In almost all cases, the TAKS raw scores and passing rates of our students far exceeded comparison group performance. In grade 9, our students outgained other students within the same school with a gain of 4.6 raw score points compared to 1.7 points for students not in the tutoring program. The passing rate for grade 9 students in our program increased 12.8% from 2005 to 2006, compared to other students that barely improved their passing rate (0.7%), while passing rates of other area students decreased by approximately 12% and the overall district passing rate also decreased. For grades 7 and 8, our students had higher passing rates than those for the school, area, and district. The evaluator's report states that "According to available data, students who were tutored in the program markedly exceeded TAKS raw score gains and gains in passing rate of other students in their schools, other Area 1 students, and the district in 5 of 7 school/grade groups."

In 2011, Group Excellence completed a 3-year, longitudinal analysis of TAKS results from students (grades 6-12; n=1199 math students, n=1147 reading students) who completed our program compared with a control group who received no tutoring. All TAKS data was provided by school districts. The results showed our students in grade 10 (SY 2007-08) performed 10.89% higher than the control group and our grade 10 students (SY 2008-09) performed 9.51% higher than the control group. In math, our students in grades 6, 7, 8, and 9 all demonstrated positive gains on the TAKS of 6.39%, 15.91%, 7.36%, and 10.01% respectively, while students in all these grades in the control group performed lower. Furthermore, in all instances, students who received math tutoring from our company performed higher on the TAKS as

compared to the control group.

In addition to our model, methods, and curriculum producing a positive impact on student achievement results, qualitative analysis also shows that our program receives positive reviews. In the Fall of 2010, Group Excellence surveyed parents whose students participated in our SES program. The survey was given to a stratified random sample to ensure that every region we operate in was represented in the results. We received 645 responses. Among the parents who responded: 99.20% said they Agree or Strongly Agree that Group Excellence benefited their student academically and would like to use their service again in the future; 98.45% said they Agree or Strongly Agree that Group Excellence employees conducted themselves professionally and kept open lines of communication with the student and parent; 94.57% said they Agree or Strongly Agree that Group Excellence tutors cultivated a positive mentoring relationship with their student(s). For all cases in which the parent did not agree with the statements, their response was either Neutral or blank. No parents disagreed with any of these statements.

Please note that the districts that work with Group Excellence do not provide data on student grades, student attendance, student behavior/discipline, retention/promotion rates, or graduation rates. Additionally, the districts we work with have not provided demographic data on Students with Disabilities or LEP children. However, all program results reported above are for Title I students and as a provider in Texas, and specifically in Dallas where in 2010 the district reported that 35% of students were English Language Learners, we work with a large number of LEP students. In order to successfully work with a variety of students, our tutor training includes specific strategies and methods to work with LEP students in addition to training on strategies to work with Student with Disabilities. Our training includes an introduction to both English as a Second Language instruction and Sheltered Instruction Observation Protocol (SIOP). Additionally, we provide our staff with more in-depth resources if they will tutor LEP special-needs students. To ensure our tutors can work with Students with Disabilities, our training includes an introduction to dyslexia, dyscalculia, dysgraphia, dyspraxia, central auditory processing disorder, non-verbal learning disorder, visual perceptual/visual motor deficit, aphasia, and dysphasia. More advanced training materials from the Learning Disabilities Association of America are provided to staff who are responsible for tutoring students with these disabilities.

Criterion 3 (10 points):

Evidence of a High Quality, Research-Based Instructional Program Designed to Increase Academic Achievement

Rationale: By definition, SES is tutoring and other enrichment services that are high quality, based on research, and designed to increase student academic achievement [NCLB, Section 1116(e)(12)(C)(2)]. According to the U.S. Department of Education (January 14, 2009), the major focus of NCLB is to utilize only those educational practices that have evidence to suggest that they will increase academic achievement (see *Federal Supplemental Educational Services Non-Regulatory Guidance*). In addition, an applicant must provide evidence that its instructional methods and content are aligned with state academic content and student academic achievement standards, and are of high quality, research-based, and specifically designed to increase the academic achievement of eligible children (Final Title I Regulations of October, 2008).

Evaluation: The application will be evaluated on the applicant's ability to demonstrate that the instructional program is (1) high quality and research-based, designed to increase student academic achievement; (2) aligned to Michigan content standards (e.g., Grade Level Content Expectations, High School Content Expectations, Course/Credit Content Expectations and/or the Michigan Curriculum Framework) for the grade levels the applicant proposes to serve. You must describe the findings of any academic research that support major elements of your instructional program. See also, the Michigan Department of Education website for the Common Core State Academic Standards:
http://www.michigan.gov/mdoe/0,1607,7-140-6530_30334_51042-232021--,00.html

Major elements must include:

- Instructional strategies;
- Time on task;
- Special instructional materials;
- Use of technology; and
- Other relevant program components.

Narrative (limit 7,880 characters): Clearly and specifically explain the ways in which the instructional program is (1) high-quality and research-based, and designed to increase student academic achievement; (2) aligned to Michigan content standards for the grade levels the applicant intends to serve.

Describe the findings of any academic research that supports the major elements of the instructional program. Major elements must include instructional strategies, time on task, special instructional materials, use of technology, etc. Cite and reference available research studies (as appropriate) and **provide data** that supports your position and findings. **Use APA citation style as described in Criterion 2.**

We use multiple modalities including asynchronous lessons, online chat, in-person tutoring, peer learning, and direct instruction. To ensure that our instructional strategies are high-quality, our program was founded upon best practices in online learning, including setting clear learning goals, providing prompt and constructive feedback, and creating dynamic interaction between students and instructors (Keeton, 2004). Recently, the U.S. DOE published the results of a meta-analysis that reviewed online learning studies. Key findings include that students in online learning environments perform better than a traditional face-to-face model, and students in a hybrid model outperform face-to-face instruction models and purely online models (Means et al., 2010). GE uses online instruction and a hybrid model to deliver instruction. Furthermore, our materials and assessments align to Michigan standards to ensure students are learning the necessary skills to improve classroom/testing performance. GE tutoring also incorporates all 5 key elements that the Center for Research in Education, Diversity, and Excellence found to be common among successful programs for at-risk students. These elements include: Joint Productive Activity, Language and Literacy Development Across the Curriculum, Contextualization, Challenging Activities, and Instructional Conversation (Tharp et al., 2003).

Our program conforms to these elements as outlined below.

- Joint Productive Activity: Group Excellence tutoring gives students the opportunity to work in collaboration with a tutor in a small-group environment. Within this setting, students can be seen, evaluated, assisted, and receive personal responses from tutors.

- Language and Literacy Development Across the Curriculum: Group Excellence provides a structured environment with broad exposure to vocabulary and critical reading wherein tutors who have personal familiarity with students can accomplish daily goals while focusing on the metagoal of developing language and literacy.

- Contextualization: Group Excellence embeds academic goals into the knowledge, experiences, and values that students already exhibit. We especially like to use real-world-application problems that are interdisciplinary – for instance, a math problem about the area of a scoreboard in a sports stadium which requires critical reading to understand.

- Challenging Activities: Group Excellence challenges students to expand their ability for complex thinking by challenging them at the limits of their understanding. In our online system, computer-adaptive artificial intelligence detects when students have a good understanding of a concept, and selects higher-difficulty questions to push their knowledge envelope. And the low student-to-tutor ratio in our small-group sessions allows us to constantly monitor a student's level of understanding and adapt our methods, activities, and materials to their pace.

- Instructional Conversation: Group Excellence tutoring provides students with the opportunity to engage in a person educational dialogue with a tutor. This break from the traditional large classroom environment allows the tutor to assess and assist in maximum responsiveness to the student's development.

As mentioned above, our programs are delivered using online, asynchronous lessons (which include live chat with tutors and messaging in addition to custom explanations for each question in the lesson) and small-group instruction. Research has consistently shown that small-group instruction is highly effective at helping raise student achievement. For example, a small-group setting allows students to read aloud and discuss stories with other students at a similar skill level, building comprehension and vocabulary (Tyner & Green, 2005). Our small-group sessions allow students the opportunity to have informal discussions with students who are operating at a similar level of ability. Additionally, our tutors work with students to master each skill and provide extra time if indicated. This method for providing instruction (time-on-task) supports student learning, and gives students focused attention in areas of need. Researchers have concluded the amount of time a student spends on task is one of the most basic and reliable predictors of academic performance (Bransford, Brown & Cocking, 2000).

Additionally, our program incorporates the best-practices demonstrated in leading educational and psychological research. For example, we incorporate Social Learning Theory (Bandura, 1977) by having students help each other learn in a small-group setting. By understanding the relevance of gains made by others and the methods their peers used to improve, students are motivated to rehearse for improvement, implement the learning, compare their results over time, and repeat the successful behaviors. We also integrate research on the Theory of Reasoned Actions (Fishbein & Ajzen 1975; Hale, Householder & Greene 2003) in our online system. Our online platform uses a peer performance system which scores questions from 0-1,000. As students perform better they are given more difficult, higher-point questions. Students are encouraged to strive for higher-point questions and are rewarded tangibly and/or intangibly for progressing to a higher-point question. We have also found that students like to compare points with their friends or other students in the group. By creating peer-comparative interactions within our program via a points system, we promote healthy competition and provide students with sufficient positive reinforcement to keep them engaged in the learning process. Another major influence for our peer-comparative approach is the area of Diffusion Theory (Rogers, 1999), which studies how behavior spreads throughout groups over time. By highlighting the positive behaviors practiced by successful students, their peers are inspired to adopt these behaviors themselves. The students themselves then constitute a self-evolving network of inspiration. We also draw on Persuasion Theory (Cacioppo, 1983; Petty & Cacioppo 1986; Simons, 1976, 1986) to make learning more accessible by intentionally controlling aspects of credibility, attractiveness, and expertise of our information sources. This leads students to be more accepting of the authority and relevance of our lessons and instructors.

In addition to incorporating leading educational and psychological research into the design of our instructional model, our curricula align with key findings from the National Reading Panel, National Council of Teachers of Mathematics, and the National Science Education Standards. Our reading program addresses the five key components of a successful reading program cited by the National Reading Panel (National Reading Panel, 2000). Our lessons build skills in phonemic awareness, phonics, fluency, vocabulary, and text comprehension and lessons are directly aligned with state content standards. Our math program addresses key mathematical concepts necessary for successful math instruction cited by the National Council of Teachers of Mathematics (NCTM) and NCTM process standards (National Council of Teachers of Mathematics, 2000). We incorporate problem solving, reason and proof, communication, connections, and representation in our math lessons and lessons are directly correlated to state content

standards and address math skills students must master to perform well in school. To align with 1996 National Science Education Standards, our science program addresses the scientific process, physical science, life science, biology, chemistry, physics, and earth science. For all our programs, lessons for each student are selected based on results from the student's pre-test administered by Group Excellence and by using data gathered through consultations with the districts, school, classroom teachers, and parents.

Please refer to our Reference List for full citations for the research cited above.

Criterion 4 (10 points):

Evidence of an Instructional Program and Content Consistent with State Standards and LEA Program(s) – Connection to Content Expectations

Rationale: NCLB Section 1116(e)(5)(B) requires applicants to demonstrate that the instruction they provide and the content they use "are consistent with the instruction provided and content used by the local educational agency and state, and are aligned with state student academic achievement standards." According to the U.S. Department of Education (January 14, 2009), instructional content and methods need not be identical to those of the LEA, but they must "share a focus on the same state academic content and achievement standards and be designed to help students meet those standards" (*Federal Supplemental Educational Services Non-Regulatory Guidance*, p.15). In addition, an applicant must provide evidence that its instructional methods and content are aligned with state academic content and student academic achievement standards, and are of high quality, research-based, and specifically designed to increase the academic achievement of eligible children (*Final Title I Regulations of October, 2008*).

Evaluation: The application will be evaluated on the applicant entity's ability to demonstrate the instructional program's connection to specific state content standards (e.g. Grade Level Content Expectations, High School Content Expectations, Course/Credit Content Expectations and/or the Michigan Curriculum Framework) for the grade levels the applicant intends to serve.

Narrative (limit 1,970 characters): Describe how the instructional program connects to specific Michigan content standards. The applicant entity must **provide sample student learning objectives and demonstrate alignment** to specific state content standards (e.g. Grade Level Content Expectations, High School Content Expectations, Course/Credit Content Expectations and/or the Michigan Curriculum Framework) for the grade levels the applicant intends to serve. See also, the Michigan Department of Education website for the Common Core State Academic Standards: http://www.michigan.gov/mde/0,1607,7-140-6530_30334_51042-232021--00.html Cite and reference available research studies (as appropriate) and provide data that supports your position and findings. **Use APA citation style as described in Criterion 2.**

Our curricula align with the key concepts and learning objectives in Michigan's Grade Level Content Expectations and High School Content Expectations. For example, our reading lessons build skills in areas such as word recognition and word study, fluency, comprehension, critical reading, and literary analysis. GE's math program includes lessons in number and operations, measurement, geometry, spatial sense, patterns, functions, algebra, data analysis and probability, and geometry and trigonometry. Our science program includes lessons in the science process, physical science, life science, earth science, biology, chemistry, and physics. Below we have provided an example of a lesson alignment to a specific GLCE. Due to space constraints, only two examples are provided. A full alignment is available.

Benchmark Number R.WS.08.07 requires students to, "...determine the meaning of words and phrases including content area vocabulary and literary terms..." Our lesson that helps student identify the meaning of new words aligns directly with this standard. In this lesson students are asked questions to assess their current ability for using context clues and taken through demonstrations that show students how to use words in a sentence to learn the meaning of an unfamiliar word. Guided practice is provided by our tutor to help students work through the lesson and to teach students how to select the proper definition of the new word.

Benchmark D.AN.07.04 requires students to, "Find and interpret the median, quartiles, and interquartile range of a given set of data." Students are taught these skills through a series of guided and independent practices and are assessed to determine skill mastery. A question in this lesson includes, "Which set of numbers has a median of 16, a mode of 14, and a range of 16?" Students are provided with several data sets and must analyze each set to determine the correct answer. In all programs, if a student is unable to answer the question, that student is given additional help from the instructor and our instructor works with the student until they can demonstrate the skill.

A full alignment is available upon request.

Criterion 5 (10 points):

Evidence of an Instructional Program and Content Consistent with State Standards and LEA Program(s) – Staff Qualifications

Rationale: NCLB Section 1116(e)(5)(B) requires applicants to demonstrate that the instruction they provide and the content they use "are consistent with the instruction provided and content used by the local educational agency and state, and are aligned with state student academic achievement standards." According to the U.S. Department of Education (January 14, 2009), instructional content and methods need not be identical to those of the LEA, but they must "share a focus on the same state academic content and achievement standards and be designed to help students meet those standards" (*Federal Supplemental Educational Services Non-Regulatory Guidance*, p.15). In addition, an applicant must provide evidence that its instructional methods and content are aligned with state academic content and student academic achievement standards, and are of high quality, research-based, and specifically designed to increase the academic achievement of eligible children (*Final Title I Regulations of October, 2008*).

Evaluation: The application will be evaluated on the applicant entity's ability to demonstrate that there is a process for ensuring staff is qualified to deliver the required program, content and instruction, and there is a plan for ongoing professional development and supervision. This section should include:

- Clearly defined instructor qualifications
- Evidence that instructors possess the minimum of a high school diploma
- Evidence that a systematic plan for professional development is in place that includes the following:
 - Instructional strategies

- o Focus on student learning
- o Assessment & communication of progress to students, parents, and LEAs
- o Documentation of tutoring sessions and student progress
- o Differentiation of instruction based on diagnosed student needs
- o Feedback to students and employees

Narrative (limit 1,970 characters): Describe the process for ensuring staff is qualified and describe plans for ongoing professional development and supervision. The plan must be detailed and specific.

We strive to hire Michigan certified teachers or teachers certified in another state to tutor students. If certified teachers are not available, we require applicants to already have completed at least 60 semester hours (or equivalent in a quarter system) at an institution of higher education or hold an associate's (or higher) degree. Group Excellence does not hire tutors that do not meet our minimum qualifications and we prefer to hire tutors with experience with Title I/SES students and certification in ELA, math, or science.

Upon hire, we provide a 2.5-hour training which includes: our instructional strategies to maintain focus on learning; strategies for assessing students and communicating with parents, the school, and students' classroom teacher on student progress; using instructional strategies effectively; administering interim assessments; grouping students and differentiating instruction; reporting and documentation requirements; tracking attendance and student progress; distribution of progress reports; using technical assistance through our corporate office; and tutoring outcomes expected for our SES students. We also provide our instructional staff with approximately 4-6 hours of ongoing professional development after instruction has begun. This training includes advanced software training, curriculum seminars on updated state standards, discussions with local community leaders, and HR training for managers.

Our supervisory staff monitor tutor performance on all elements that are covered in training, offer feedback, and conduct weekly staff meetings to discuss tutor performance. Using a multi-point session evaluation rubric, sessions are evaluated and critiqued on a weekly basis. This evaluation also includes a rotation of peer evaluations where Campus Directors visit and evaluate the programs of fellow Campus Directors. If a tutor's performance is found to be below our quality standard, the supervisor will monitor the tutor, in order to offer constructive feedback and ideas on how to improve. If the tutor's performance does not improve to meet our quality standard, the Regional Director reviews the issue and takes necessary action including, but not limited to, additional training for the tutor, reassignment, or termination of employment.

Criterion 6 (10 points):

Evidence of an Instructional Program and Content Consistent with State Standards and LEA Program(s) – Assessment of Student Need

Rationale: NCLB Section 1116(e)(5)(B) requires applicants to demonstrate that the instruction they provide and the content they use "are consistent with the instruction provided and content used by the local educational agency and state, and are aligned with state student academic achievement standards." According to the U.S. Department of Education (January 14, 2009), instructional content and methods need not be identical to those of the LEA, but they must "share a focus on the same state academic content and achievement standards and be designed to help students meet those standards" (*Federal Supplemental Educational Services Non-Regulatory Guidance*, p. 15). *In addition, an applicant must provide evidence that its instructional methods and content are aligned with state academic content and student academic achievement standards, and are of high quality, research-based, and specifically designed to increase the academic achievement of eligible children (Final Title I Regulations of October, 2008).*

Evaluation: The application will be evaluated on the applicant entity's ability to demonstrate that a specific process is used to assess student need, identify skill or knowledge gaps, and prescribe an instructional program based on the student's individual needs. The applicant must:

- Provide evidence an objective assessment is in place;
- Describe the frequency of objective assessment administration
- Provide evidence of a systematic process to analyze the results of the objective assessment

Narrative (limit 1,970 characters): Describe the plan to assess student academic need, identify skill or knowledge gaps, and prescribe an instructional program based on the student's individual needs. Provide detailed evidence of a comprehensive, systematic process for analyzing results to identify student needs, skill or knowledge gaps, and prescribing an instructional program based on student needs

Every student enrolled in our program takes our standardized SureStudy pre-assessment which assesses each student's skill gaps in ELA, math, or science. To develop our assessment, we load the most recent state standards into our system and generate questions that are mapped to each standard and are designed to assess skill mastery for the standard. We also create this assessment using several forms for each grade level so that results are comparable between students. Our content experts review the questions for each item to ensure the items are accurate and measure student understanding of each grade-level content standard. This process allows GE to develop clear criteria for determining if deficiencies exist since our tests are mapped specifically to Michigan state standards. After instruction has begun, our tutors and Site Supervisor/Campus Director monitor student academic progress on a daily basis using feedback on practice sets during instruction. These practice sets are directly related to the Student Learning Plan (SLP) goals. Informal monitoring occurs at every tutoring session as tutors monitor students' abilities to master tasks supporting their SLP goals. Interim quizzes are administered at the end of a section or group of lessons. Therefore, assessment is ongoing and occurs more than three times during services (as required for high-quality programs in Michigan). Review lessons must be completed satisfactorily before students move on to new material. Tutors use each student's SLP to monitor student progress toward goals and use this document to determine if a student is progressing at the rate established in the SLP.

As outlined above, to analyze student needs and knowledge gaps we use data from our assessments and also consult with each student's parent, classroom teacher, and the LEA to gather information regarding student needs. If a student is unable to perform up to proficiency on a skill on our assessment, this is shown on the assessment report as a skill gap. Using this data, we work in consultation with the district, parent, and classroom teacher(s) to create a SLP which outlines each student's academic objectives. The SLP is used as a roadmap for instruction and is used to select lessons and set timetables for progress.

Criterion 7 (10 points):

Evidence of an Instructional Program and Content Consistent with State Standards and LEA Program(s) – Communication Plan

Rationale: NCLB Section 1116(e)(5)(B) requires applicants to demonstrate that the instruction they provide and the content they use "are consistent with the instruction provided and content used by the local educational agency and state, and are aligned with state student academic achievement standards." According to the U.S. Department of Education (January 14, 2009), instructional content and methods need not be identical to those of the LEA, but they must "share a focus on the same state academic content and achievement standards and be

designed to help students meet those standards" (*Federal Supplemental Educational Services Non-Regulatory Guidance*, p.15).

Evaluation: The application will be evaluated on the applicant entity's plan for communicating student progress to LEA(s)/teacher(s) and to parent(s)/guardian(s). The applicant must:

- Provide evidence that written progress reports occur regularly;
- Provide evidence that communication between the applicant and the stakeholders is documented;
- Describe the process for obtaining parent feedback related to their child's instructional goals.
- Describe how the processes may address parent reluctance or non-responsiveness to the applicant's efforts to engage and communicate with the parent about instructional goals and the child's progress.

Narrative (limit 1,970 characters): Describe the plan for obtaining parent feedback related to identification of specific instructional goals and communicating student progress to LEA(s)/teacher(s) and to parent(s)/guardian(s).

The LEA, teachers, and parent(s)/guardian(s) receive several reports to communicate student progress. All stakeholders are provided with Bi-Monthly Progress Reports, In-Person Conferences, Bi-Weekly Verbal Progress Reports, and a Final Progress Report. Records of delivering these reports are included in each student's file to ensure that all stakeholders have received information on progress. Bi-Monthly progress reports are distributed via hand delivery, email, or U.S. mail, as requested by the recipient at program's start. These progress reports describe the student's SLP goals and progress toward those goals, lesson scores relative to each goal, attendance, participation, behavior, and progress within the curriculum. Parents are also able to meet with their child's tutor during the program using our In-Person Conferences. Our tutors contact parents via phone or email to set up an In-Person Conference at least monthly and during these conferences our tutors discuss student attendance, progress, and areas of concern on the Student Learning Plan. Our tutors use these conferences to gather feedback from the parent on how the Student Learning Plan may be refined to help the student more effectively (e.g. if the SLP is too difficult or not challenging enough for the student). In addition to Bi-Monthly Progress Reports and In-Person Conferences, we provide Bi-Weekly Verbal Progress Reports to parents. These reports are more informal and are delivered as our tutors see parents during pick-up and drop-off of students. Our tutors use these reports to update parents in-between our formal hardcopy and in-person reporting procedures. Our Bi-Monthly and Bi-Weekly reporting procedures, combined with our In-Person Conferences ensures we report student progress frequently throughout the program and that we are always gathering as much feedback as possible. If parents do not initially respond to our requests for conferences and our tutors have been unable to provide verbal feedback, we ask the school to provide additional contact information to reach the parent and in some cases our staff conduct home visits to provide reports on student progress. We always attempt to reach every parent three (3) times before conducting a home visit.

Criterion 8 (5 points):
Fluency and Mechanics

Rationale: By definition, SES is tutoring that is high quality, based on research, and designed to increase student academic achievement [NCLB, Section 1116(e)(12)(C)(2)]. According to the U.S. Department of Education (January 14, 2009), the major focus of NCLB is to utilize only those educational practices that have evidence to suggest that they will increase academic achievement (see *Federal Supplemental Educational Services Non-Regulatory Guidance*).

Evaluation: The application will be evaluated on the applicant entity's ability to demonstrate that entity leaders have a basic understanding of basic mechanics and grammar, and the ability to communicate effectively with parents, districts and employees.

Narrative: No additional narrative should be submitted for this criterion. The narrative supplied for criteria 1-7 will be used to demonstrate fluency and mechanics and as a basis for scoring Criterion 8.

Criterion 9 (5 points):

Applicants proposing to serve grade levels 7-12 and provide tutoring in **math and science both** to grade levels 7-12 will receive **5 bonus points** to be added to the total score. Bonus points do not apply to the minimum points required in each criterion.

Rationale: By definition, SES is tutoring that is high quality, based on research, and designed to increase student academic achievement [NCLB, Section 1116(e)(12)(C)(2)]. The goal of SES is to increase eligible students' academic achievement in a subject or subjects that the State includes in its ESEA assessments under Section 1111 of the ESEA, which must include reading/language arts, mathematics, and science, as well as English language proficiency for students with limited English proficiency (LEP). *Non-Regulatory Guidance, Supplemental Educational Services*, January 2009. Michigan's experience is that there is a great need for improved achievement in mathematics and science, particularly at the middle and high school grade levels.

Evaluation: 5 Bonus Points will be added to the total application score for those applicants proposing to serve grade levels 7-12 and provide tutoring in **mathematics and science both**, for grade levels 7-12. Bonus points do not apply to the minimum points required in each criterion. In order to receive Bonus Points, the provider must propose to offer mathematics and science, and all of the grade levels 7-12.

Narrative: No additional narrative should be submitted for this criterion. Information about meeting this criterion will be obtained from Section A, numbers 13 and 14.

SECTION C. ASSURANCES

By electronically submitting the SES provider application, I certify that I have read and understand each of the following statements, agree to be held accountable for the content of each, and understand that the MDE may invoke disciplinary action at any time, up to and including removal from the Approved List, based upon evidence that I have violated any of these Assurances.

1. The applicant entity certifies that the instructional program described in the application is the instructional program that will be offered to students.
2. The applicant entity certifies that the instruction and content that will be offered is secular, neutral, and non-ideological.
3. The applicant entity is responsible for payment of all payroll taxes and other business expenses or fees.
4. The applicant entity will be available to provide services in a district as required by the district's enrollment procedures or contract.
5. The applicant entity will serve all qualified eligible children whose parent(s)/guardian(s) register for services from the applicant entity, on a fair and equitable basis and in accordance with the terms specified in the application
6. The applicant entity will promptly notify the district, in writing, within three business days, if it does not meet its minimum or exceeds its maximum number of students.
7. The applicant entity will provide parent(s)/legal guardian(s) of children receiving services, and district personnel, information on students' academic progress in an understandable format and language on a regular basis consistent with this application.
8. The applicant entity will provide evidence to the district (before services are delivered) that individuals providing services to children have successfully completed fingerprinting and criminal background checks as required in the district contract.
9. The applicant entity will not disclose to the public the identity of any student eligible for or receiving SES without the written permission of the parent(s)/guardian(s). All public requests for student information should be directed to the district.
10. The applicant entity ensures that the entity is financially sound and agrees to notify the MDE and district, in writing within ten business days, if and when it is no longer financially sound.
11. The applicant entity agrees to follow all applicable Federal, state, and local health, safety, employment, and civil rights laws at all times. This includes, but is not limited to, provision of occupancy permits and fire marshal reports to districts, if requested.
12. The applicant entity will not discriminate on the basis of race, national origin, sex, or disability in accepting students and providing students with SES under Title I (in general, a provider may not, on the basis of disability, exclude a qualified student with disabilities or a student covered under Section 504 if a student can, with minor adjustments, be provided SES designed to meet the individual educational needs of the student).
13. The applicant entity will provide services consistent with the qualified student's individualized education program under the Individuals with Disabilities Education Act (IDEA) if the student is covered under IDEA or Section 504 of the Rehabilitation Act of 1973 if the entity proposes to serve such students.
14. The applicant entity will comply with the MDE Standards for Monitoring SES Providers. The applicant entity agrees to make all documents available to the MDE or district for inspection/monitoring purposes, and participate in site visits at the request of the MDE or the district.
15. The applicant entity agrees to notify MDE and applicable district(s), in writing, of any change in the contact information provided in this application within ten business days.
16. The applicant entity further ensures that it will provide written notification to MDE, when SES will no longer be provided, thirty days prior to termination of services.

SECTION D. SES PROVIDER CODE OF ETHICS

By electronically submitting the SES provider application, I certify that I have read and understand each of the following statements, agree to be held accountable for the content of each, and understand that the Michigan Department of Education (MDE) may invoke disciplinary action at any time, up to and including removal from the approved list, based upon evidence that I have violated any of section of the SES Code of Ethics.

1. Providers must accurately and completely describe services to consumers in terms that are easy to understand. Reading level for informational materials should be no higher than eighth grade.
2. Providers must create and use promotional materials and advertisements that are free from deception. Deception may include, but is not limited to, misrepresentation through implied or stated endorsement for the provider by a school district, school building or its staff or representatives.
3. Providers must not misrepresent to anyone the location of a provider's program or the approval status of a program. If the location of services is dependent upon a minimum student enrollment or the approval of a district, the provider shall indicate the applicable contingencies in its marketing materials.
4. Providers must not publicly criticize or disparage other providers.

5. Providers must not engage in false advertising about other providers' programs.
6. Providers must comply with each district's enrollment procedures.
7. Providers must not distribute a district enrollment form that has the selected provider's name pre-printed as part of the form. The provider may not modify or alter the district enrollment form in any way.
8. Providers must not encourage or induce students or parents to switch providers, once enrolled, without approval by the district. Providers may not create or distribute enrollment change forms for this purpose.
9. Providers must maintain a system of addressing consumer grievances and concerns and must immediately report any grievances to both the district and MDE.
10. Providers must not charge districts more than the maximum hourly rate identified in the application, nor charge districts any additional fees.
11. Providers must not make payments or in-kind contributions to a district, exclusive of customary fees for facility utilization or transportation.
12. Providers must not compensate district employees in exchange for access to facilities, registration, to obtain student lists, or to encourage any district employee to violate district policies or procedure including conflict of interest.
13. Providers must not solicit or accept an exclusive arrangement with any district or school (including, but not limited to, an exclusive right to conduct in-school assemblies or other marketing activities).
14. Providers may not seek access to individual classrooms or interrupt instructional time during the school day for any reason.
15. Providers may not employ any SES-eligible or enrolled student.
16. Each parent of an eligible student who is hired by a provider must have a written job description and must be compensated on the same basis as all other employees of the provider who perform similar work. No parent may receive any commission or other benefit related to the enrollment of their child in a provider's program, nor may a parent be subject to any employment action by the provider on account of the parent's selection of an SES program for their child.
17. Any school personnel employed by an SES provider shall not recruit students to a provider's program, engage in marketing activities on behalf of a provider, or otherwise promote or encourage students to enroll in a specific provider's program. This restriction does not apply to school districts that are approved SES providers. Please see #20 below for specific guidance regarding marketing and recruiting in school districts that are approved SES providers.
18. Providers shall not employ any district employees who currently serve in the capacity of Principal, Assistant Principal, building SES Coordinator, or district SES Coordinator.
19. Providers shall not employ any individuals, including teachers, parents or community leaders, who have any decision-making authority over a school district or school site. The sole exception shall be in school districts that are considered rural and where there are few providers.
20. Where a school district or a school is also an approved provider of SES, district personnel assigned SES provider responsibilities shall avoid all conflicts of interest or favoritism, including the following:
 - a. Individuals employed by the district for this purpose shall not present marketing or recruitment information on any occasion unless all other providers approved for the schools served are offered the same opportunity to present information or recruit students.
 - b. The district shall ensure that the individual has no greater access to parents and students at provider fairs, school assemblies, and other, similar occasions than is afforded to all other providers. "Access" means the amount of speaking time available, the space used, and any other resources allocated to providers.
 - c. Individuals serving as an approved SES provider shall have duties that are entirely distinct from those of any other district employee who performs oversight with respect to the provision of SES. This prohibits the district SES provider from duties such as serving as the district's liaison to all SES providers within a school or schools, or assigning students to other providers.
21. Before or during the registration period, providers must not distribute any objects (such as gift cards, money, pencils, balloons, candy, Frisbees, tote bags, etc.) to parents or students. Informational program materials should be printed on paper.
22. Before or during the registration period, providers must not verbally or nonverbally promise or reference any objects or rewards that will be provided upon registration, program completion or as student rewards during the provision of services.
23. Informational program materials, including the 150-word program summary, must not verbally or non-verbally promise or reference any objects or rewards that will be provided upon registration, program completion or as student rewards during the provision of services.
24. During the provision of SES, providers may not exceed a total of \$20.00 per student annually for rewards. These rewards may not be identified in any written informational material or identified verbally to parents until AFTER enrollment.
25. Technology-based providers may not advertise computers as a reward for program completion. Students may keep computers at the cessation of tutoring services, but providers must fully disclose information about the computers as detailed in the MDE Policy of December 15, 2008. This information may not be included in any written informational material or identified verbally to parents until AFTER enrollment. Computers are not subject to the \$20.00 annual cap on rewards.
26. Providers must not attempt to influence or bias parents when performing an evaluation of the provider's services and achievement of the student's individualized learning goals.
27. A provider shall not use information provided by parents of SES-enrolled students for any commercial purpose without securing the parent's prior written consent for the intended use of the specified information, except that a provider may use parental contact information to communicate about SES with the parents of students served by that specific provider in any prior year.
28. Providers must serve substantially all students registered and immediately communicate to the district any students who cannot be served or who drop out of the program.
29. Providers may not solicit confidential information on minor students without the written consent of parents and/or the school district. This includes, but is not limited to, collecting student or parent information such as addresses, phone numbers, or email addresses.

SECTION E.

Reference List:	Reference List_Group Excellence.pdf
Business License:	Business License_Group Excellence.pdf
Insurance or Insurance Quote:	Insurance_Group Excellence.pdf
Cash Flow:	CashFlow_GroupExcellence_12-Month.pdf
Expense Minimum:	Expenses_Minimum.pdf
Expense Maximum:	Expenses_Maximum.pdf
Evidence of Cash-on-Hand:	Cash on Hand_Group Excellence.pdf
Billing and Payment:	Billing and Payment_Group Excellence.pdf
Financial Narrative:	Financial Narrative_Group Excellence_FINAL.pdf
Tables, Charts and Graphs to Support Criteria (optional), and Reference List:	Additional Information_Group Excellence.pdf

Group Excellence: Financial Narrative

Group Excellence was founded in 2004 as a tutoring and mentoring organization whose mission is to motivate and inspire students to achieve academic excellence. Since our beginning, we have provided support to over 20,000 students. Our efforts have been recognized by the Texas Education Agency, Dallas Independent School District, Texas Instruments Foundation, and other entities as a uniquely effective organization when charged with the task of helping improve students' academic aptitude.

To financially support our programs and our plans for business expansion, Group Excellence is backed by solid financial holdings and currently has over \$1M in cash and a strong credit rating, evidenced by our private line of credit of \$3M. We currently employ 48 full-time employees and more than 400 part-time staff that are responsible for overseeing our SES programs. Currently, we are approved to provide SES in Texas. Due to the success of our program, we are interested in expanding our operations to Michigan and our business plan for this year includes providing SES to students in the state. Because our program can be delivered online or using in-person tutors, we can effectively scale our programs to meet demand and our financial resources give Group Excellence the stability and flexibility needed to meet the requirements of our new SES programs. To demonstrate our financial soundness, Group Excellence has provided evidence of our Cash on Hand (which includes evidence of our Credit Line) and additional documentation that demonstrates the Group Excellence maintains consistent billing procedures and adheres to standards for accounting. Our financial documentation demonstrates that we will have the necessary cash to meet our payroll and instructional program needs while awaiting district payment and that we have established procedures for maintaining our program operations.

Our revenue is diversified between SES tutoring and other contracts for in-school tutoring. Should we receive approval we will immediately implement our operational services timeline which includes: Completing all hiring of management staff by the end of August, completing background checks and clearances by the end of September, and completing new-hire training by the end of October. Once the district approved student list is distributed, we will begin contacting the families that have signed up for our services, assess students, and develop and gain approval on Student Learning Plans. These activities will allow our company to begin services promptly.

In addition to our strong financial backing, Group Excellence maintains an operational structure that allows us to deliver SES services within a short timeframe while maintaining program quality. Tutors are overseen at each site by a dedicated FT Campus Director or PT Supervisor, who reports to an Area Coordinator (who oversees one or several campuses). A Regional Director manages Area Coordinators and oversees district-level activities. Although we are not yet approved in Michigan, we have already begun our recruiting efforts in order to be ready should we be granted approval. We have already assigned a Regional Director to oversee our operations in Michigan and prepared training materials to streamline hiring of new staff in Michigan. Historically, Group Excellence has chosen to relocate experienced staff to help jump-start new offices. To ensure services begin in a timely manner we have already begun recruiting procedures for Campus Directors, Supervisors, and Tutors.

Michigan RFP - Maximum Students Served Cost Summary

Program Breakdown Summary:		
Program Summary		
• Maximum Students Served	5,000	
• Assumed PPA	\$ 1,650	
• Allocated Hours Per Student	24.00	
• % Completion	75.0%	
Proforma Summary		
	Monthly	Annual
<u>Program Costs</u>		
Personnel Costs	\$ 206,702	\$ 2,480,420
Student Rewards/Learning Tools	119,843	1,438,114
Printing - Curriculum	6,760	81,123
Other	56,662	679,942
Total Program Costs	\$ 389,967	\$ 4,679,599
<u>Admin. & General Costs</u>		
Full-Time Personnel Costs	\$ 39,340	\$ 472,083
Sales & Marketing	2,638	31,661
Transportation Costs	4,065	48,785
Communications Costs	920	11,035
Rental Costs	5,445	65,340
Insurance	3,250	38,995
Other	5,566	66,790
Total Admin. & General Costs	\$ 61,224	\$ 734,689
<u>Technology Costs</u>		
Software Licenses	\$ 12,375	\$ 148,500
Technology Support	7,350	88,200
Total Technology Cost	\$ 19,725	\$ 236,700
Total Costs	\$ 470,916	\$ 5,650,988
Net Operating Income (NOI)	\$ 54,084	\$ 649,012

Group Excellence, Ltd.

Estimate

Michigan RFP - Proforma Breakdown Maximum Cost

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
# of Students Served	-	5,000	-	-	-	-	-	-	-	-	-	-	5,000
Tutored Hours	-	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	90,000
Program Revenue	\$ -	\$ 630,000	\$ 630,000	\$ 630,000	\$ 630,000	\$ 630,000	\$ 630,000	\$ 630,000	\$ 630,000	\$ 630,000	\$ 630,000	\$ 630,000	#####
Program Costs													
Personnel Costs	\$ -	\$ 257,492	\$ 246,992	\$ 246,992	\$ 246,992	\$ 246,992	\$ 246,992	\$ 246,992	\$ 246,992	\$ 246,992	\$ 246,992	\$ 246,992	#####
Student Rewards/Learning Tools	-	143,811	143,811	143,811	143,811	143,811	143,811	143,811	143,811	143,811	143,811	143,811	1,438,114
Printing - Curriculum	3,688	7,940	7,694	7,694	7,694	7,694	7,694	7,694	7,694	7,694	7,694	7,694	81,123
Other	627	69,571	67,745	67,745	67,745	67,745	67,745	67,745	67,745	67,745	67,745	67,745	679,942
Total Program Costs	\$ 4,314	\$ 478,815	\$ 466,530	\$ 466,242	#####								
Admin. & General Costs													
Regional Director	\$ -	\$ 13,750	\$ 13,750	\$ 13,750	\$ 13,750	\$ 13,750	\$ 13,750	\$ 13,750	\$ 13,750	\$ 13,750	\$ 13,750	\$ 13,750	\$ 151,250
Area Coordinator(s)	-	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	320,833
Sales & Marketing	3,880	3,880	3,880	3,880	2,927	2,202	2,202	2,202	2,202	2,202	2,202	2,202	31,661
Transportation Costs	-	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	48,785
Communications Costs	-	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	1,003	11,035
Rental Costs	-	5,940	5,940	5,940	5,940	5,940	5,940	5,940	5,940	5,940	5,940	5,940	65,340
Insurance	-	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	3,545	38,995
Other	388	6,212	6,212	6,212	6,117	6,045	6,045	6,045	6,045	6,045	6,045	5,379	66,790
Total Admin. & General Costs	\$ 4,268	\$ 68,337	\$ 68,337	\$ 68,337	\$ 67,289	\$ 66,492	\$ 734,689						
Technology Costs													
Software Licenses	\$ -	\$ 14,850	\$ 14,850	\$ 14,850	\$ 14,850	\$ 14,850	\$ 14,850	\$ 14,850	\$ 14,850	\$ 14,850	\$ 14,850	\$ 14,850	\$ 148,500
Technology Support	-	8,820	8,820	8,820	8,820	8,820	8,820	8,820	8,820	8,820	8,820	8,820	88,200
Total Technology Cost	\$ -	\$ 23,670	\$ 236,700										
Total Costs	8,583	570,822	558,537	558,250	557,201	556,404	556,404	556,404	556,404	556,404	556,404	59,169	5,650,988
Net Operating Income (NOI)	\$ (8,583)	\$ 59,178	\$ 71,463	\$ 71,750	\$ 72,799	\$ 73,596	\$ (59,169)	\$ 649,012					
Cumulative NOI	\$ (8,583)	\$ 50,595	\$ 122,058	\$ 193,808	\$ 266,606	\$ 340,202	\$ 413,798	\$ 487,393	\$ 560,989	\$ 634,585	\$ 708,181	\$ 649,012	\$ 649,012

Michigan RFP - Minimum Students Served Cost Summary

Program Breakdown Summary:

Program Summary

• Minimum Students Served	200
• Assumed PPA	\$ 1,850
• Allocated Hours Per Student	27.00
• % Completion	75.0%

Proforma Summary

	<u>Monthly</u>	<u>Annual</u>
<u>Program Costs</u>		
Personnel Costs	\$ 7,975	\$ 95,700
Student Rewards/Learning Tools	4,035	48,416
Printing - Curriculum	1,446	17,350
Other	1,346	16,147
Total Program Costs	\$ 14,801	\$ 177,613
<u>Admin. & General Costs</u>		
Full-Time Personnel Costs	\$ 2,292	\$ 27,500
Sales & Marketing	345	4,142
Transportation Costs	643	7,718
Communications Costs	111	1,328
Rental Costs	1,733	20,790
Insurance	568	6,820
Other	228	2,732
Total Admin. & General Costs	\$ 5,919	\$ 71,029
<u>Technology Costs</u>		
Software Licenses	\$ 557	\$ 6,683
Technology Support	331	3,969
Total Technology Cost	\$ 888	\$ 10,652
Total Costs	\$ 21,608	\$ 259,293
Net Operating Income (NOI)	\$ 2,017	\$ 24,207

Group Excellence, Ltd.

Estimate

Michigan RFP - Proforma Breakdown Minimum Cost

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Total
# of Students Served	-	200	-	-	-	-	-	-	-	-	-	-	200
Tutored Hours	-	405	405	405	405	405	405	405	405	405	405	-	4,050
Program Revenue	\$ -	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ 28,350	\$ -	\$ 283,500
Program Costs													
Personnel Costs	\$ -	\$ 9,948	\$ 9,528	\$ 9,528	\$ 9,528	\$ 9,528	\$ 9,528	\$ 9,528	\$ 9,528	\$ 9,528	\$ 9,528	\$ -	\$ 95,700
Student Rewards/Learning Tools	-	4,842	4,842	4,842	4,842	4,842	4,842	4,842	4,842	4,842	4,842	-	48,416
Printing - Curriculum	1,663	1,775	1,775	1,517	1,517	1,517	1,517	1,517	1,517	1,517	1,517	-	17,350
Other	166	1,656	1,614	1,589	1,589	1,589	1,589	1,589	1,589	1,589	1,589	-	16,147
Total Program Costs	\$ 1,830	\$ 18,221	\$ 17,759	\$ 17,475	\$ 17,475	\$ 17,475	\$ 17,475	\$ 17,475	\$ 17,475	\$ 17,475	\$ 17,475	\$ -	\$ 177,613
Admin. & General Costs													
Regional Director	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Area Coordinator(s)	-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	27,500
Sales & Marketing	484	484	484	391	391	303	303	303	303	303	303	303	4,142
Transportation Costs	-	788	788	788	788	788	788	788	788	788	788	315	7,718
Communications Costs	-	121	121	121	121	121	121	121	121	121	121	121	1,328
Rental Costs	-	1,890	1,890	1,890	1,890	1,890	1,890	1,890	1,890	1,890	1,890	620	20,790
Insurance	-	620	620	620	620	620	620	620	620	620	620	249	6,820
Other	19	256	256	252	252	249	249	249	249	249	230	218	2,732
Total Admin. & General Costs	\$ 503	\$ 6,658	\$ 6,658	\$ 6,561	\$ 6,561	\$ 6,470	\$ 6,470	\$ 6,470	\$ 6,470	\$ 6,470	\$ 5,978	\$ 5,664	\$ 71,029
Technology Costs													
Software Licenses	\$ -	\$ 668	\$ 668	\$ 668	\$ 668	\$ 668	\$ 668	\$ 668	\$ 668	\$ 668	\$ 668	\$ -	\$ 6,663
Technology Support	-	397	397	397	397	397	397	397	397	397	397	-	3,969
Total Technology Cost	\$ -	\$ 1,065	\$ 1,065	\$ 1,065	\$ 1,065	\$ 1,065	\$ 1,065	\$ 1,065	\$ 1,065	\$ 1,065	\$ 1,065	\$ -	\$ 10,652
Total Costs	2,333	25,944	25,482	25,199	25,102	25,010	25,010	25,010	25,010	25,010	24,519	5,664	259,293
Net Operating Income (NOI)	\$ (2,333)	\$ 2,406	\$ 2,868	\$ 3,151	\$ 3,248	\$ 3,340	\$ 3,340	\$ 3,340	\$ 3,340	\$ 3,340	\$ 3,831	\$ (5,664)	\$ 24,207
Cumulative NOI	\$ (2,333)	\$ 73	\$ 2,941	\$ 6,092	\$ 9,340	\$ 12,680	\$ 16,020	\$ 19,360	\$ 22,699	\$ 26,039	\$ 29,870	\$ 24,207	\$ 24,207

Group Excellence, Ltd.

Michigan RFP - Minimum Students Served Administrative Costs

Estimate

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Total
# of Students Served	-	200	-	-	-	-	-	-	-	-	-	-	200
Sales & Marketing													
Postage/Delivery	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Printing and Reproduction	210	210	210	210	125	125	125	125	125	125	125	125	1,715
Advertising/Marketing	230	230	230	230	230	150	150	150	150	150	150	150	2,050
Contingency @ 10.0%	44	44	44	44	36	28	28	28	28	28	28	28	377
Total Sales & Marketing	\$ 484	\$ 484	\$ 484	\$ 484	\$ 391	\$ 303	\$ 4,142						

Vehicle Expense

Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gasoline	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance - Auto	-	300	300	300	300	300	300	300	300	300	300	300	3,300
Mileage Reimbursement	-	450	450	450	450	450	450	450	450	450	450	450	4,050
Parking	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency @ 5.0%	-	38	38	38	38	38	38	38	38	38	38	38	368
Total Vehicle Expense	\$ -	\$ 788	\$ 7,718										

Communications

Monthly Rate	\$ -	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 1,265
Installation	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency @ 5.0%	-	6	6	6	6	6	6	6	6	6	6	6	63
Total Telephone/Internet	\$ -	\$ 121	\$ 1,328										

Rental Expense

Office Rental	\$ -	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 19,800
Room Rental - School	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Rental - Church, Civic, etc...	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency @ 5.0%	-	90	90	90	90	90	90	90	90	90	90	90	990
Total Rental Expense	\$ -	\$ 1,890	\$ 20,790										

Insurance Expense

General Liability Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Health Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Umbrella Coverage	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency @ 0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Insurance	\$ -	\$ 620	\$ 6,820										

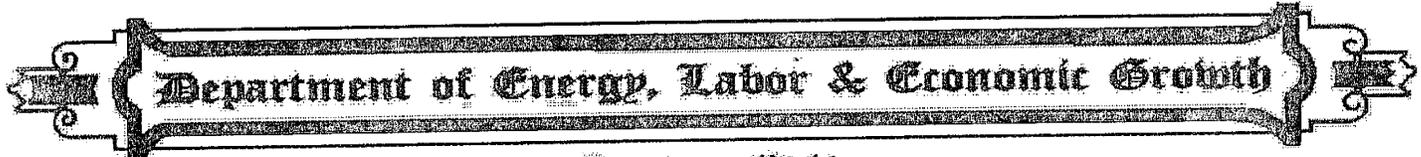
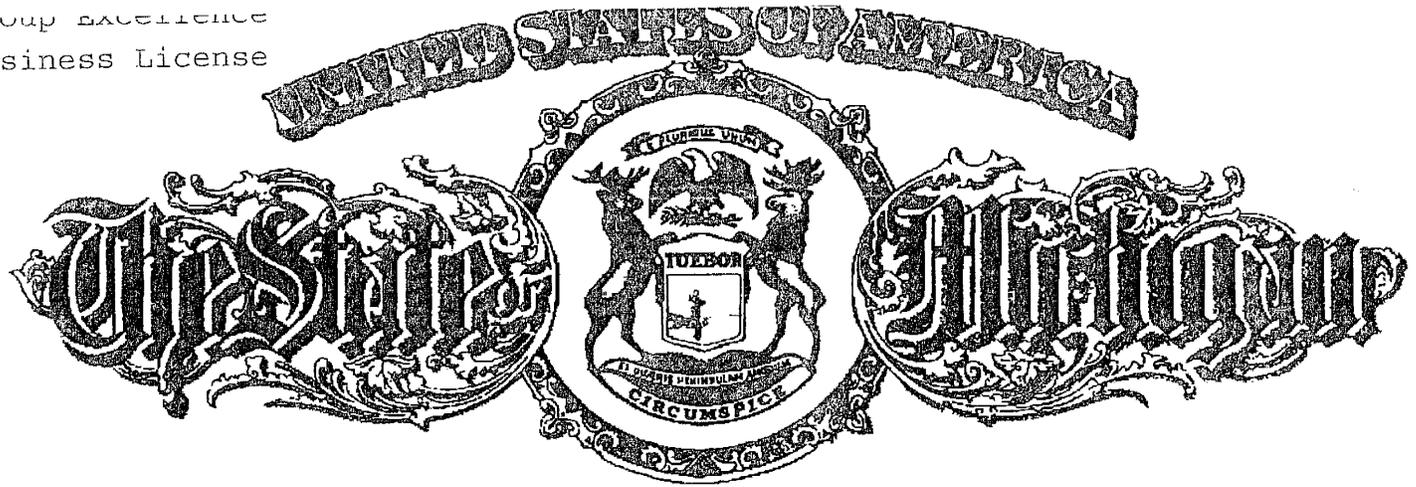
Group Excellence, Ltd.

Cash Flow

Projection

Michigan RFP Consolidated Proforma: July 2011 - June 2012

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	12-Month Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Department Revenue													
SES Revenue	\$ -	\$ 60,398	\$ 150,996	\$ 211,394	\$ 271,793	\$ 286,892	\$ 332,191	\$ 362,390	\$ 317,092	\$ 150,996	\$ 90,598	\$ 30,199	\$ 2,264,940
In-School Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Department Revenue	-	60,398	150,996	211,394	271,793	286,892	332,191	362,390	317,092	150,996	90,598	30,199	2,264,940
Department Expense													
SES Expense	15,449	32,695	85,863	97,233	103,984	101,301	111,494	118,290	108,097	70,723	57,132	43,542	945,802
In-School Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Department Expense	15,449	32,695	85,863	97,233	103,984	101,301	111,494	118,290	108,097	70,723	57,132	43,542	945,802
Department Profit													
SES Profit	(15,449)	27,703	65,133	114,161	167,809	185,591	220,697	244,101	208,995	80,273	33,465	(13,342)	1,319,138
In-School Profit	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Profit	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Department Profit	(15,449)	27,703	65,133	114,161	167,809	185,591	220,697	244,101	208,995	80,273	33,465	(13,342)	1,319,138
Unallocated Expense													
Admin. & General	43,472	45,707	49,059	51,294	53,528	54,087	55,763	56,880	55,204	49,059	46,824	44,589	605,467
Sales & Marketing	868	2,171	3,039	3,907	4,124	4,775	5,209	4,558	2,171	1,302	434	326	32,864
Vehicle Expense	717	1,793	2,510	3,228	3,407	3,945	4,303	3,765	1,793	1,076	359	323	27,219
Office Expense	951	2,378	3,329	4,281	4,519	5,232	5,708	4,994	2,378	1,427	476	238	35,911
Communications Expense	264	661	925	1,189	1,255	1,453	1,585	1,387	661	396	132	119	10,028
Total Unallocated Expenses	46,273	52,709	56,862	63,898	66,833	69,492	72,569	71,586	62,207	53,260	48,225	45,594	711,508
Gross Profit	(61,722)	(25,006)	6,271	50,263	100,976	116,099	148,128	172,515	146,788	27,013	(14,759)	(58,937)	607,629
Fixed Expense													
Leases/Rent Expense	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,700	5,700	68,400
Insurance	1,679	1,679	1,679	1,679	1,679	1,679	1,679	1,679	1,679	1,679	1,679	1,679	20,150
Taxes	-	-	-	-	-	19,000	-	-	-	-	-	-	19,000
Other	-	5,436	13,590	19,025	24,461	25,820	29,897	32,615	28,538	13,590	8,154	2,718	203,845
Total Fixed Expenses	7,379	12,815	20,969	26,405	31,841	52,199	37,276	39,994	35,917	20,969	15,533	10,037	311,995
Net Operating Income (NOI)	\$ (69,101)	\$ (37,821)	\$ (14,698)	\$ 23,858	\$ 69,135	\$ 63,899	\$ 110,852	\$ 132,521	\$ 110,871	\$ 6,044	\$ (30,292)	\$ (69,034)	\$ 296,235
Cumulative NOI	\$ (69,101)	\$ (106,922)	\$ (121,620)	\$ (97,761)	\$ (28,626)	\$ 35,273	\$ 146,125	\$ 278,646	\$ 389,517	\$ 395,561	\$ 365,269	\$ 296,235	



Lansing, Michigan

This is to Certify That an Application for Registration of

GROUP EXCELLENCE, LTD.

a foreign limited partnership existing under the laws of the State of TEXAS to transact business
in Michigan under the qualifying assumed name of

GROUP EXCELLENCE, LIMITED PARTNERSHIP

was duly filed in Michigan on the 20th day of April, 2011, in conformity with 1982 PA 213, and
said limited partnership is authorized to transact in this state any business of the character set forth in its
registration. The authority shall continue as long as said limited partnership retains its authority to transact
such business in the jurisdiction of its formation and its registration to transact business in this state has not
been canceled and is in full force and effect.

The limited partnership shall use such qualifying assumed name in all its dealings with this Department and in
the conduct of its affairs in this state.

This certificate is in due form, made by me as the proper officer, and is entitled to have full faith and credit given
it in every court and office within the United States.

Effective Date: April 20, 2011



In testimony whereof, I have hereunto set my
hand, in the City of Lansing, this 20th day
of April, 2011.

Director

Bureau of Commercial Services

Sent by Facsimile Transmission

L96230



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

SUSAN COMBS • COMPTROLLER • AUSTIN, TEXAS 78774

March 10, 2011

CERTIFICATE OF ACCOUNT STATUS

THE STATE OF TEXAS
COUNTY OF TRAVIS

I, Susan Combs, Comptroller of Public Accounts of the State of Texas, DO
HEREBY CERTIFY that according to the records of this office

GROUP EXCELLENCE, LTD.

is, as of this date, in good standing with this office having no franchise
tax reports or payments due at this time. This certificate is valid through
the date that the next franchise tax report will be due May 16, 2011.

This certificate does not make a representation as to the status of the
entity's registration, if any, with the Texas Secretary of State.

This certificate is valid for the purpose of conversion when the converted
entity is subject to franchise tax as required by law. This certificate is
not valid for any other filing with the Texas Secretary of State.

GIVEN UNDER MY HAND AND
SEAL OF OFFICE in the City of
Austin, this 10th day of
March 2011 A.D.

A handwritten signature in cursive script that reads "Susan Combs".

Susan Combs
Texas Comptroller

Taxpayer number: 32035516726
File number: 0800407184



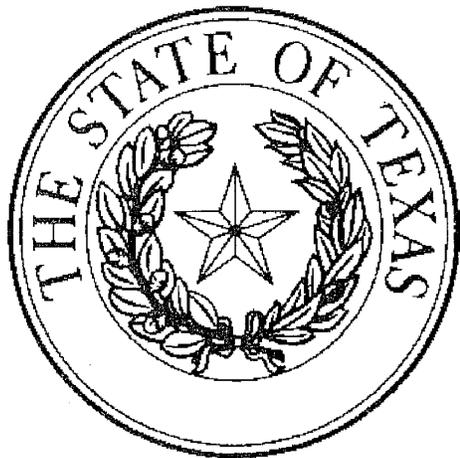
Office of the Secretary of State

Certificate of Fact

The undersigned, as Secretary of State of Texas, does hereby certify that the document, Certificate of Limited Partnership for Group Excellence, Ltd. (file number 800407184), a Domestic Limited Partnership (LP), was filed in this office on October 28, 2004.

It is further certified that the entity status in Texas is in existence.

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on March 16, 2011.



A handwritten signature in black ink, appearing to read "Hope Andrade".

Hope Andrade
Secretary of State



December 28, 2010

Group Excellence, Ltd
Group Excellence Management, LLC
13111 N Central Expy, Ste 230
Dallas, TX 75243

RE: Commercial General Liability
Insurance Company: Starr Indemnity & Liability Co
Policy P2GL-100000-02
Policy Period: 11/30/10-11

Dear Molly,

Please accept this letter as verification that your Commercial General Liability policy provides coverage for the State of Georgia.

The coverage territory is defined in the policy as follows:

“The United States of America (including its territories and possessions), Puerto Rico and Canada.”

So the policy provides coverage in all 50 states. Please let me know if we can help with anything else.

Cordially,

Daniel F Dacy, III



A Member of



700 Highlander, Suite 350
Arlington, Texas 76015
www.firsttex.com

(817) 275-2626 • Metro (817) 261-2996 • Fax (817) 275-2661

References

- Bandura, A. (1977). *Social learning theory*. New York: General Learning Press.
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Group Excellence: Billing and Payment

To demonstrate that Group Excellence maintains procedures for our billing and payment, we have provided sample invoices for our SES programs in Texas. Depending on the program, Group Excellence is required to use the district's billing system or generate our own invoice. We have provided samples from each of these procedures and outlined below our internal procedures for billing and payment for the district's invoicing system. These procedures demonstrate the level of oversight that Group Excellence requires for billing the districts we serve, and all management are required to follow these procedures.

Group Excellence: SES District Billing Process

(Example of District Billing Systems in Texas)

1. Approved student attends in person tutoring and signs Billing Sheet daily.
2. AC/CD/Supervisors enter in person hours into Arete data system everyday by noon.
3. Billing Department enters Group Excellence hours into Arete everyday by noon.
4. Everyday (after data entry deadline is met) Adam creates a spreadsheet listing all students billable for the month.
5. The IT Department uploads attendance at this point into EZSES.
6. List of Billing Sheets needed from each school is given to the AC (at least once a week).
7. As students complete their hours allocation, the AC is notified that the Billing Sheet is due.
 - a. Billing Sheet is turned into basket on Adam's desk by ACs – as needed. (Filled out completely and in alphabetical order.)
 - b. Sheets that are turned in are marked as received in the spreadsheet mentioned in step #3. This list is updated as billing sheets are turned in.
8. All Billing Sheets are turned in at the end of the month for all other students.
9. On **Day One of invoicing**, all attendance (in person and Group Excellence) is due in Arete by noon.
10. An upload is done into EZSES of all attendance at this point.
11. Begin to check to see whether Billing Sheets are missing – Notify ACs if missing anything.
12. All progress notes in EZSES are to be completed by noon on **Day Two of invoicing**.
13. Print out all Group Excellence reports for all students who have online hours.
14. Reconcile Billing Sheets and Group Excellence reports against Arete hours.
 - a. Add hours that were not entered
 - b. Remove hours that were mistakenly entered
 - c. Edit any errors in rounding or data entry
15. Total the student's online and in person hours on the Billing Sheet.
16. Once all Billing Sheets have been filled out and Arete is PERFECT for that month, the attendance is cleared out of EZSES and then re-uploaded.
17. Double check to make sure Progress Notes are completed in EZSES for each student after the final upload.
18. Create an Invoice Draft in EZSES.
19. Compare the Invoice Draft and Billing sheets. Making sure the Billing sheets match with the Invoice Draft. (Hours and \$)
20. Make changes in \$\$ totals to compensate for the rounding difference and move students to the correct billing school.

21. Write the correct \$\$ totals onto the Billing Sheets.
22. Submit the invoices in EZSES and print them out.
23. Fill in the DISD Verification Sheets (cover page #2)
24. Create cover pages for each school.
25. Print the EZSES Attendance Sheet.
26. Put packets together:
 - a. Cover Sheet
 - b. DISD Verification Sheet
 - c. EZSES Invoice
 - d. EZSES Invoice Detail
 - e. EZSES Attendance Sheet
 - f. Student's Billing Sheet AND/OR Arete Online-Only Report
 - g. Repeat step F for each student
27. Scan packets into archive.
28. Take Invoices to DISD office.
29. Send Emily our Invoice #'s and \$\$ from the EZSES invoices.
30. PDF Print each student's Billing Sheet into their Archive file.

Group Excellence, Ltd.

13111 N. Central Expwy, Suite 230
Dallas, Texas, 75243
Phone: 214-570-3141
Fax: --

INVOICE

Invoice # 2011-3-107-79-5185
Date: 04/04/2011

Submitted by Group Excellence on 4/4/2011. Approved by Mychl Buckley on 4/12/2011. \$3,849.33 paid by Check No. 54035 on 4/25/2011.

Bill To

Arlington ISD [220901]
4800 W. Arkansas Lane
Arlington, Texas, 76016

P. O. Number	Period	Amount
	03/01/2011-03/31/2011	

School	Tutoring Charges			
	Students	Hours	Billed Hours	Amount
NICHOLS J H	13	48:06	48:06	\$3,849.33
Total	13	48:06	48:06	\$3,849.33

For more details, please see the attached detail sheet.

Make all cheques payable to **Group Excellence, Ltd.**

If you have any questions concerning this invoice, contact Chris Battle at 214-570-3141

Note: Check was mailed 4/21

THANK YOU FOR YOUR BUSINESS!

INVOICE

Invoice # 2011-3-107-79-5185

Date: 04/04/2011

Invoice Details by Student

Last Name	First Name	Grade Level	Tutoring Rate	Tutoring Hours	Billed Hours	Tutoring Charges
NICHOLS J H						
[REDACTED]	[REDACTED]	8	80.00	00:37	00:37	\$49.33 <input type="checkbox"/>
[REDACTED]	[REDACTED]	8	80.00	08:53	08:53	\$710.67
[REDACTED]	[REDACTED]	7	80.00	10:57	10:57	\$876.00 <input type="checkbox"/>
[REDACTED]	[REDACTED]	8	80.00	07:16	07:16	\$581.33
[REDACTED]	[REDACTED]	8	80.00	03:00	03:00	\$240.00 <input type="checkbox"/>
[REDACTED]	[REDACTED]	8	80.00	02:00	02:00	\$160.00
[REDACTED]	[REDACTED]	7	80.00	00:43	00:43	\$57.33
[REDACTED]	[REDACTED]	8	80.00	00:51	00:51	\$68.00
[REDACTED]	[REDACTED]	8	80.00	01:10	01:10	\$93.33
[REDACTED]	[REDACTED]	7	80.00	04:00	04:00	\$320.00
[REDACTED]	[REDACTED]	7	80.00	02:00	02:00	\$160.00
[REDACTED]	[REDACTED]	8	80.00	01:40	01:40	\$133.33
[REDACTED]	[REDACTED]	8	80.00	05:00	05:00	\$400.00
Sub Total						\$3,849.33
Grand Total						\$3,849.33

Student has used all allocated dollars. Billing hours have been adjusted not to exceed PPA.

Student is appearing in the invoice for the first time.

GROUP EXCELLENCE, LTD

13111 N. Central Expy
Suite 230
Dallas, Texas 75243
(214) 570-3140

Invoice

Date	Invoice #
3/31/2011	79-5185

Bill To
Arlington ISD 1203 W Pioneer Pkwy Arlington, TX 76013

PAID
04/26/2011

Ship To

P.O. Number	Terms	Due Date
		3/31/2011

Quantity	Item Code	Description	Price Each	Amount
48.1166	2010-2011 SES	SES TUTORING 2011-3-107-79-5185 VENDOR #	80.00	3,849.33

Total \$3,849.33



Central Bank

Houston's Bank Since 1956

4605 Post Oak Place, Suite 130
Houston, Texas 77027
Phone: 713.559.0010
Fax: 713.559.0020
www.centralbankhouston.com

March 29, 2011

Sherry Coleman
Alabama State Department of Education
Federal Programs Section
5348 Gordon Persons Building
50 North Ripley Street
Montgomery, AL 36104

Dear Ms. Coleman:

Please accept this letter as verification that Group Excellence, Ltd has a line of credit with our wholly owned subsidiary Advantage Business Capital since 02/22/10 with a \$3,000,000 credit limit. The facility renews annually and currently Group Excellence, Ltd. has a zero balance outstanding.

Group Excellence maintains an operating account at Central Bank since 02/24/10 with a current Low 7 balance and a 12 month average balance of Medium 6.

Since inception, all accounts have been handled in a satisfactory manner.

Feel free to contact me if you have any questions or need additional information regarding our relationship with Group Excellence, Ltd.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Tiggeloven', written over a horizontal line.

Mark Tiggeloven
Senior Vice President