

What You Need to Know

- 13,515 Public School Districts
 - 98,328 Schools in those districts
- 30,861 Private Schools
- 6,400 Charter Schools
- 55.4 Million Students in public, private and charter schools in the United States
- 50% of all of the 3.5 million teachers are eligible for retirement
- 50% of all of the 240,000 administrators are eligible for retirement
- 30% decline in the number of new education graduates in the last 3 years
- 40% of new education graduates will never work in education
- 10% of all new teachers won't make it to the end of their first year
- 40% of all new teachers won't make it to the end of their fifth year
- 50% of all new principals quit after 5 years
- \$58,000 average teacher's salary
- \$93,000 average administrator's salary
- \$612 billion spent on public education every year
- \$35 billion spent on private education every year
- \$647 billion untapped industry
- \$2.2 billion a year the cost of teacher turnover
- 1 year; the time collectively that a student from grades 1-12 will spend with a substitute teacher
- \$3.5 billion spent on substitute teachers

Projected Shortages

- | | |
|--|---------|
| • Annual teacher deficit over 10 years | 343,500 |
| • Annual teacher deficit over 5 years | 518,500 |
| • Annual administrator deficit over 10 years | 12,000 |
| • Annual administrator deficit over 5 years | 24,000 |

The E Squared Solution

- Allow schools/school districts to outsource their recruiting efforts to E Squared
- By using our 20 years of recruiting for the IT industry and 10 years of working with K-12 schools experience will allow them to convert their efforts from passive recruiting to active recruiting.
- Schools will be able to hire not just the best who would normally apply through their traditional passive method to the best through the E Squared active recruiting method.
- Provide them with a simple algorithm in which to define who it is they need to hire
- Help the build a strong value proposition based on the two-primary principal of why people change positions.
- Put in place a consistent interview methodology with aligning documents from what to ask during a pre-screen to how to extend and offer.
- Streamline the process as not to lose candidates because it took too long
- Decrease the current cost of recruiting a teacher by 50-90%
- Encourage more candidates to apply by elevating their exposure
- Target those who are qualified for a position through our cloud database to directly receive notice when a position comes open
- Put their Title II Part A money (funds provided by the federal government specifically for recruiting and retention) to better use.

The Competition

- Ray & Associates www.rayassoc.com
 Recruits exclusively for public school superintendents
 15% fee based on salary, retained search & up to \$50K in expenses
 Potential Clients 13,515
- Carney, Sandoe & Associates www.carneysandoe.com
 Recruits exclusively for private school teacher & Head of School
 30% fee based on salary retained search, plus expenses
 2.5 out of 5 stars on Yelp
 Potential clients 30,861
- www.teachers.teachers.com
 On line teacher recruitment platform.
 Cost similar to www.indeed.com at \$100 for every
 Candidate who uploads a resume based on your ad
 Current Clients 2,000
- Frontline:
 This pricing is based on a district's FTE. Below is the cost for
 Jackson County Schools in Vancleave, MS

 - AppliTrack Recruiting - \$6,650 for the initial purchase of the software, set up and training. Annual recurring cost for the system is \$5,900
 - AppliTrack Employee Center - \$8,000 for the initial purchase of the software, set up and training. Annual recurring cost for the system is \$5,000
 - Links to their on-line job recruiting site www.k12.JobSpot.com
 - Initial Purchase Cost - \$14,650
 - Annual Recurring Cost - \$10,900

Potential Clients 13,515
- TalentEd:
 Recruit and Hire - \$5,000 for the initial purchase of the software, set up and training
 Annual recurring cost for the system is \$4,000

 - TalentEd Records Professional - \$16,000 for the initial purchase of the software, set up and training. The annual recurring cost for both systems is \$13,000
 - Links to their on-line job recruiting site www.schoolspring.com
 - Initial Purchase Cost \$21,000
 - Annual Recurring Cost - \$17,000

Potential Clients 13,515
- **E Squared**
 Outsource recruiting
 Direct recruiting of teachers & administrator for public & private schools
 Recruiting & Retention Software

Potential Clients **129,184**

Investor Potential

- E Squared will pay an annual 10% interest rate to investors for the term of 5 years
- The interest can be paid to the investor or they can roll it over into their investment to increase their payout at the end of the five-year term
- Investors can increase the rate of interest they receive by recruiting other investors when you help us *Spread the Word*
- For every additional investor brought on board whose investment is equal or greater than that of the initial investor's investment will increase the rate paid by 1% point, up to 10 additional investors

\$100 Investment Potential

| | | | | | | |
|----------|--------|-------|--------------------|----------------|-------|--------------------|
| Standard | Year 1 | \$100 | \$10 | Rollover \$100 | \$10 | |
| | Year 2 | | \$10 | | \$110 | \$11 |
| | Year 3 | | \$10 | | \$121 | \$12 |
| | Year 4 | | \$10 | | \$133 | \$13 |
| | Year 5 | | <u>\$10</u> | | \$146 | <u>\$15</u> |
| | | | \$50 Profit | | | \$61 Profit |

\$100 Spread the Word Investment Potential

| | | | | |
|--------------|-----|------|-----------|---------------------|
| 1 Investor | 11% | \$11 | X 5 Years | \$55 Profit |
| 2 Investors | 12% | \$12 | X 5 Years | \$60 Profit |
| 3 Investors | 13% | \$13 | X 5 Years | \$65 Profit |
| 4 Investors | 14% | \$14 | X 5 Years | \$70 Profit |
| 5 Investors | 15% | \$15 | X 5 Years | \$75 Profit |
| 6 Investors | 16% | \$16 | X 5 Years | \$80 Profit |
| 7 Investors | 17% | \$17 | X 5 Years | \$85 Profit |
| 8 Investors | 18% | \$18 | X 5 Years | \$90 Profit |
| 9 Investors | 19% | \$19 | X 5 Years | \$95 Profit |
| 10 Investors | 20% | \$20 | X 5 Years | \$100 Profit |

\$100 Spread the Word Rollover Investment Potential

1 Investor (11%) 2 Investors (12%) 3 Investors (13%) 4 Investors (14%)

| | | | |
|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| $\$100 + \$11 = \$110$ | $\$100 + \$12 = \$112$ | $\$100 + \$13 = \$113$ | $\$100 + \$14 = \$114$ |
| $\$110 + \$12 = \$122$ | $\$112 + \$13 = \$125$ | $\$113 + \$15 = \$128$ | $\$114 + \$16 = \$130$ |
| $\$122 + \$13 = \$135$ | $\$125 + \$15 = \$140$ | $\$128 + \$17 = \$145$ | $\$130 + \$18 = \$148$ |
| $\$135 + \$15 = \$150$ | $\$140 + \$17 = \$157$ | $\$145 + \$19 = \$164$ | $\$148 + \$21 = \$169$ |
| $\$150 + \$17 = \underline{\$167}$ | $\$157 + \$19 = \underline{\$176}$ | $\$164 + \$21 = \underline{\$185}$ | $\$160 + \$24 = \underline{\$193}$ |
| \$67 | \$76 | \$85 | \$93 |

5 Investors (15%) 6 Investors (16%) 7 Investors (17%) 8 Investors (18%)

| | | | |
|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| $\$100 + \$15 = \$115$ | $\$100 + \$16 = \$116$ | $\$100 + \$17 = \$117$ | $\$100 + \$18 = \$118$ |
| $\$115 + \$17 = \$132$ | $\$116 + \$19 = \$135$ | $\$117 + \$20 = \$137$ | $\$118 + \$21 = \$139$ |
| $\$132 + \$20 = \$152$ | $\$135 + \$22 = \$157$ | $\$137 + \$23 = \$160$ | $\$139 + \$25 = \$164$ |
| $\$152 + \$23 = \$175$ | $\$182 + \$25 = \$182$ | $\$160 + \$27 = \$187$ | $\$164 + \$30 = \$194$ |
| $\$175 + \$26 = \underline{\$201}$ | $\$182 + \$29 = \underline{\$211}$ | $\$187 + \$32 = \underline{\$219}$ | $\$194 + \$35 = \underline{\$229}$ |
| \$101 | \$111 | \$119 | \$129 |

9 Investors (19%) 10 Investors (20%)

| | |
|------------------------------------|------------------------------------|
| $\$100 + \$19 = \$119$ | $\$100 + \$20 = \$120$ |
| $\$119 + \$23 = \$142$ | $\$120 + \$24 = \$144$ |
| $\$142 + \$27 = \$169$ | $\$144 + \$29 = \$173$ |
| $\$169 + \$32 = \$201$ | $\$173 + \$35 = \$208$ |
| $\$201 + \$38 = \underline{\$239}$ | $\$208 + \$42 = \underline{\$250}$ |
| \$139 | \$150 |

\$1,000 Investment Potential

| | | | | |
|----------|--------|---------------------|-----------------|---------------------|
| Standard | Year 1 | \$1,000 + \$100 | Rollover Year 1 | \$1,000 + \$100 |
| | Year 2 | + \$100 | | Year 2 |
| | Year 3 | + \$100 | | Year 3 |
| | Year 4 | + \$100 | | Year 4 |
| | Year 5 | + \$100 | | Year 5 |
| | | <u>\$500</u> Profit | | <u>\$609</u> Profit |

\$1,000 Spread the Word Investment Potential

| | | | | | |
|--------------|-----|-------|-----------|-----------|--------|
| 1 Investor | 11% | \$110 | X 5 years | = \$550 | Profit |
| 2 Investors | 12% | \$120 | X 5 years | = \$600 | Profit |
| 3 Investors | 13% | \$130 | X 5 years | = \$650 | Profit |
| 4 Investors | 14% | \$140 | X 5 years | = \$700 | Profit |
| 5 Investors | 15% | \$150 | X 5 years | = \$750 | Profit |
| 6 Investors | 16% | \$160 | X 5 years | = \$800 | Profit |
| 7 Investors | 17% | \$170 | X 5 years | = \$850 | Profit |
| 8 Investors | 18% | \$180 | X 5 years | = \$900 | Profit |
| 9 Investors | 19% | \$190 | X 5 years | = \$950 | Profit |
| 10 Investors | 20% | \$200 | X 5 years | = \$1,000 | Profit |

\$1,000 Spread the Word Rollover Investment Potential

| | | |
|--|--|---|
| <p>1 Investor (11%)</p> <p>\$1,000 + \$110 = \$1,110 \$1,110 + \$122 = \$1,232 \$1,232 + \$136 = \$1,368 \$1,368 + \$150 = \$1,518 \$1,518 + \$167 = <u>\$1,685</u> \$ 685</p> | <p>2 Investors (12%)</p> <p>\$1,000 + \$120 = \$1,120 \$1,120 + \$134 = \$1,254 \$1,254 + \$150 = \$1,404 \$1,404 + \$168 = \$1,572 \$1,572 + \$189 = <u>\$1,761</u> \$ 761</p> | <p>3 Investors (13%)</p> <p>\$1,000 + \$130 = \$1,130 \$1,130 + \$147 = \$1,277 \$1,277 + \$166 = \$1,443 \$1,443 + \$188 = \$1,631 \$1,631 + \$212 = <u>\$1,843</u> \$ 843</p> |
| <p>4 Investors (14%)</p> <p>\$1,000 + \$140 = \$1,140 \$1,140 + \$160 = \$1,300 \$1,300 + \$182 = \$1,482 \$1,482 + \$207 = \$1,689 \$1,689 + \$236 = <u>\$1,925</u> \$ 925</p> | <p>5 Investors (15%)</p> <p>\$1,000 + \$150 = \$1,150 \$1,150 + \$173 = \$1,323 \$1,323 + \$198 = \$1,521 \$1,521 + \$228 = \$1,749 \$1,749 + \$262 = <u>\$2,011</u> \$ 1,011</p> | <p>6 Investors (16%)</p> <p>\$1,000 + \$160 = \$1,160 \$1,160 + \$186 = \$1,346 \$1,346 + \$215 = \$1,561 \$1,561 + \$250 = \$1,811 \$1,811 + \$290 = <u>\$2,101</u> \$1,101</p> |
| <p>7 Investors (17%)</p> <p>\$1,000 + \$170 = \$1,170 \$1,170 + \$199 = \$1,369 \$1,369 + \$233 = \$1,602 \$1,602 + \$272 = \$1,874 \$1,874 + \$319 = <u>\$2,193</u> \$1,193</p> | <p>8 Investors (18%)</p> <p>\$1,000 + \$180 = \$1,180 \$1,180 + \$212 = \$1,392 \$1,392 + \$251 = \$1,643 \$1,643 + \$296 = \$1,939 \$1,939 + \$349 = <u>\$2,288</u> \$1,288</p> | <p>9 Investors (19%)</p> <p>\$1,000 + \$190 = \$1,190 \$1,190 + \$226 = \$1,416 \$1,416 + \$269 = \$1,685 \$1,685 + \$320 = \$2,005 \$2,005 + \$381 = <u>\$2,386</u> \$1,385</p> |
| <p>10 Investors (20%)</p> <p>\$1,000 + \$200 = \$1,200 \$1,200 + \$240 = \$1,440 \$1,440 + \$288 = \$1,728 \$1,728 + \$346 = \$2,074 \$2,074 + \$415 = <u>\$2,489</u> \$1,489</p> | | |

\$5,000 Investment Potential

| | | | | | |
|----------|--------|-----------------------|--|-----------------|-----------------------|
| Standard | Year 1 | \$500 | | Rollover Year 1 | \$500 |
| | Year 2 | \$500 | | Year 2 | \$550 |
| | Year 3 | \$500 | | Year 3 | \$605 |
| | Year 4 | \$500 | | Year 4 | \$666 |
| | Year 5 | <u>\$500</u> | | Year 5 | <u>\$732</u> |
| | | \$2,500 Profit | | | \$3,053 Profit |

Spread the Word Investment Potential

| | | | | |
|--------------|-----|---------|-----------|-----------------------|
| 1 Investor | 11% | \$550 | X 5 Years | \$2,750 Profit |
| 2 Investors | 12% | \$600 | X 5 Years | \$3,000 Profit |
| 3 Investors | 13% | \$650 | X 5 Years | \$3,250 Profit |
| 4 Investors | 14% | \$700 | X 5 Years | \$3,500 Profit |
| 5 Investors | 15% | \$750 | X 5 Years | \$3,750 Profit |
| 6 Investors | 16% | \$800 | X 5 Years | \$4,000 Profit |
| 7 Investors | 17% | \$850 | X 5 Years | \$4,250 Profit |
| 8 Investors | 18% | \$900 | X 5 Years | \$4,500 Profit |
| 9 Investors | 19% | \$950 | X 5 Years | \$4,750 Profit |
| 10 Investors | 20% | \$1,000 | X 5 Years | \$5,000 Profit |

Spread the Word Rollover Investment Potential

| | | |
|---|---|--|
| <p>1 Investor (11%)</p> $ \begin{aligned} & \$5,000 + \$550 = \$5,550 \\ & \$5,550 + \$611 = \$6,161 \\ & \$6,161 + \$678 = \$6,839 \\ & \$6,839 + \$752 = \$7,591 \\ & \$7,591 + \$835 = \underline{\$8,426} \\ & \quad \quad \quad \mathbf{\$3,426} \end{aligned} $ | <p>2 Investors (12%)</p> $ \begin{aligned} & \$5,000 + \$600 = \$5,600 \\ & \$5,600 + \$672 = \$6,272 \\ & \$6,272 + \$753 = \$7,025 \\ & \$7,025 + \$843 = \$7,868 \\ & \$7,868 + \$944 = \underline{\$8,812} \\ & \quad \quad \quad \mathbf{\$3,812} \end{aligned} $ | <p>3 Investors (13%)</p> $ \begin{aligned} & \$5,000 + \$650 = \$5,650 \\ & \$5,650 + \$735 = \$6,385 \\ & \$6,385 + \$830 = \$7,215 \\ & \$7,215 + \$938 = \$8,153 \\ & \$8,153 + \$1,060 = \underline{\$9,213} \\ & \quad \quad \quad \mathbf{\$4,213} \end{aligned} $ |
| <p>4 Investors (14%)</p> $ \begin{aligned} & \$5,000 + \$700 = \$5,700 \\ & \$5,700 + \$798 = \$6,498 \\ & \$6,498 + \$910 = \$7,408 \\ & \$7,408 + \$1,037 = \$8,445 \\ & \$8,445 + \$1,182 = \underline{\$9,627} \\ & \quad \quad \quad \mathbf{\$4,627} \end{aligned} $ | <p>5 Investors (15%)</p> $ \begin{aligned} & \$5,000 + \$750 = \$5,750 \\ & \$5,750 + \$863 = \$6,613 \\ & \$6,613 + \$992 = \$7,605 \\ & \$7,605 + \$1,141 = \$8,746 \\ & \$8,746 + \$1,312 = \underline{\$10,058} \end{aligned} $ | <p>6 Investors (16%)</p> $ \begin{aligned} & \$5,000 + \$800 = \$5,800 \\ & \$5,800 + \$928 = \$6,728 \\ & \$6,728 + \$1,076 = \$7,804 \\ & \$7,804 + \$1,249 = \$9,053 \\ & \$9,053 + \$1,448 = \underline{\$10,501} \\ & \quad \quad \quad \mathbf{\$5,501} \end{aligned} $ |
| <p>7 Investors (17%)</p> $ \begin{aligned} & \$5,000 + \$850 = \$5,850 \\ & \$5,850 + \$936 = \$6,786 \\ & \$6,786 + \$1,154 = \$7,940 \\ & \$7,940 + \$1,350 = \$9,290 \\ & \$9,290 + \$1,579 = \underline{\$10,869} \\ & \quad \quad \quad \mathbf{\$5,869} \end{aligned} $ | <p>8 Investor (18%)</p> $ \begin{aligned} & \$5,000 + \$900 = \$5,900 \\ & \$5,900 + \$1,062 = \$6,962 \\ & \$6,962 + \$1,253 = \$8,215 \\ & \$8,215 + \$1,479 = \$9,694 \\ & \$9,694 + \$1,745 = \underline{\$11,439} \end{aligned} $ | <p>9 Investors (19%)</p> $ \begin{aligned} & \$5,000 + \$950 = \$5,950 \\ & \$5,950 + \$1,131 = \$7,081 \\ & \$7,081 + \$1,345 = \$8,426 \\ & \$8,426 + \$1,601 = \$10,027 \\ & \$10,027 + \$1,905 = \underline{\$11,932} \\ & \quad \quad \quad \mathbf{\$6,932} \end{aligned} $ |
| <p>10 Investors (20%)</p> $ \begin{aligned} & \$5,000 + \$1,000 = \$6,000 \\ & \$6,000 + \$1,200 = \$7,200 \\ & \$7,200 + \$1,440 = \$8,640 \\ & \$8,640 + \$1,728 = \$10,368 \\ & \$10,368 + \$2,074 = \underline{\$12,442} \\ & \quad \quad \quad \mathbf{\$7,442} \end{aligned} $ | | |

\$10,000 Investment Potential

| | | | | |
|-----------------|--------|----------------|-----------------|--------------------------------------|
| Standard | Year 1 | \$1,000 | Rollover | \$10,000 + \$1,000 = \$11,000 |
| | Year 2 | \$1,000 | | \$11,000 + \$1,110 = \$12,110 |
| | Year 3 | \$1,000 | | \$12,110 + \$1,211 = \$13,321 |
| | Year 4 | \$1,000 | | \$13,321 + \$1,332 = \$14,653 |
| | Year 5 | <u>\$1,000</u> | | \$14,653 + \$1,465 = <u>\$16,118</u> |
| | | \$5,000 | | \$6,118 |

\$10,000 Spread the Word Investment Potential

| | | | | | |
|--------------|-----|---------|-----------|-----------------|--------|
| 1 Investor | 11% | \$1,100 | X 5 Years | \$5,500 | Profit |
| 2 Investors | 12% | \$1,200 | X 5 Years | \$6,000 | Profit |
| 3 Investors | 13% | \$1,300 | X 5 Years | \$6,500 | Profit |
| 4 Investors | 14% | \$1,400 | X 5 Years | \$7,000 | Profit |
| 5 Investors | 15% | \$1,500 | X 5 Years | \$7,500 | Profit |
| 6 Investors | 16% | \$1,600 | X 5 Years | \$8,000 | Profit |
| 7 Investors | 17% | \$1,700 | X 5 Years | \$8,500 | Profit |
| 8 Investors | 18% | \$1,800 | X 5 Years | \$9,000 | Profit |
| 9 Investors | 19% | \$1,900 | X 5 Years | \$9,500 | Profit |
| 10 Investors | 20% | \$2,000 | X 5 Years | \$10,000 | Profit |

\$10,000 Spread the Word with Rollover Option Investment Potential

| | | |
|--|---|---|
| <p>1 Investor (11%)</p> <p>\$10,000 + \$1,100 = \$11,110 \$11,110 + \$1,222 = \$12,332 \$12,332 + \$1,357 = \$13,689 \$13,689 + \$1,506 = \$15,195 \$15,195 + \$1,671 = <u>\$16,886</u> \$ 6,886</p> | <p>2 Investors (12%)</p> <p>\$10,000 + \$1,200 = \$11,200 \$11,200 + \$1,344 = \$12,544 \$12,544 + \$1,505 = \$14,049 \$14,049 + \$1,686 = \$15,735 \$15,735 + \$1,888 = <u>\$17,623</u> \$ 7,623</p> | <p>3 Investors (13%)</p> <p>\$10,000 + \$1,300 = \$11,300 \$11,300 + \$1,469 = \$12,769 \$12,769 + \$1,660 = \$14,429 \$14,815 + \$2,074 = \$16,305 \$16,305 + \$2,120 = <u>\$18,425</u> \$ 8,425</p> |
| <p>4 Investors (14%)</p> <p>\$10,000 + \$1,400 = \$11,400 \$11,400 + \$1,596 = \$12,996 \$12,769 + \$1,660 = \$14,429 \$14,429 + \$1,876 = \$16,305 \$16,305 + \$2,120 = <u>\$18,425</u> \$ 8,425</p> | <p>5 Investors (15%)</p> <p>\$10,000 + \$1,500 = \$11,500 \$11,500 + \$1,725 = \$13,225 \$13,225 + \$1,984 = \$15,209 \$15,209 + \$2,281 = \$17,490 \$17,490 + \$2,624 = <u>\$20,114</u> \$10,114</p> | <p>6 Investors (16%)</p> <p>\$10,000 + \$1,600 = \$11,600 \$11,600 + \$1,856 = \$13,456 \$13,456 + \$2,153 = \$15,609 \$15,609 + \$2,497 = \$18,106 \$18,106 + \$2,897 = <u>\$21,003</u> \$11,003</p> |
| <p>7 Investors (17%)</p> <p>\$10,000 + \$1,700 = \$11,700 \$11,700 + \$1,989 = \$13,689 \$13,689 + \$2,237 = \$16,016 \$16,016 + \$2,723 = \$18,739 \$18,739 + \$3,186 = <u>\$21,925</u> \$11,925</p> | <p>8 Investors (18%)</p> <p>\$10,000 + \$1,800 = \$11,800 \$11,800 + \$2,124 = \$13,924 \$13,924 + \$2,506 = \$16,430 \$16,430 + \$2,957 = \$19,387 \$19,387 + \$3,490 = <u>\$22,877</u> \$12,877</p> | <p>9 Investors (19%)</p> <p>\$10,000 + \$1,900 = \$11,900 \$11,900 + \$2,261 = \$14,161 \$14,161 + \$2,691 = \$16,852 \$16,852 + \$3,202 = \$20,054 \$20,054 + \$3,810 = <u>\$23,864</u> \$13,864</p> |
| <p>10 Investors (20%)</p> <p>\$10,000 + \$2,000 = \$12,000 \$12,000 + \$2,400 = \$14,400 \$14,400 + \$2,888 = \$17,328 \$17,328 + \$3,466 = \$20,794 \$20,794 + \$4,159 = <u>\$24,953</u> \$14,953</p> | | |

2018 Financial Projections: Year 1

- Focus on Indiana, Ohio & Wisconsin
- Develop On-line Training

| | | |
|--|-----------------|------------------|
| | | \$250,000 |
| January | | |
| Office Space | \$2,500 | |
| Utilities | \$ 200 | |
| Phones | \$ 200 | |
| Assistant | \$2,000 | |
| CEO | \$4,000 | |
| IT | \$5,000 | |
| Social Media Director | \$1,000 | |
| Marketing Director | \$1,000 | |
| Researcher | \$1,500 | |
| Researcher | \$1,500 | |
| Accountant | \$ 300 | |
| Advertising | \$3,000 | |
| Conferences | \$3,000 | |
| Insurance | <u>\$ 100</u> | |
| Monthly Expenses (total) | \$26,300 | |
| One Time Expenses | | |
| Website Redesign | \$ 5,000 | |
| Office Furniture | \$ 2,500 | |
| Office Deposit | \$ 4,000 | |
| Computers | \$ 2,500 | |
| Printing Supplies | \$ 500 | |
| Phone System | <u>\$ 1,000</u> | |
| | \$15,500 | |
| Videographer (On-line Training) | \$5,000 | |
| | | \$213,200 |
| February | | |
| Monthly Expenses | \$26,300 | |
| | | \$186,900 |
| March | | |
| Monthly Expenses | \$26,300 | |
| ACSI Regional Conference | | |
| March 1-2 Cincinnati | | |
| 500 Attendances | | |
| ! % Outsource | 5 X \$3,000 | \$15,000 |
| 1% Principal | 5 X \$18,600 | <u>\$93,000</u> |
| | | \$108,000 |
| NAIS Conference | | |
| March 7-9 Atlanta | | |
| 1,000 Attendances | | |
| 1% Outsource | 10 X \$3,000 | \$30,000 |
| 1% Principal | 10 X \$18,600 | <u>\$186,000</u> |
| | | \$216,000 |
| 30% Commissions on Principal Placement | \$83,700 | |
| | | \$400,900 |
| April | | |
| Monthly Expenses | \$33,800 | |
| Added 3 Staff Members | | |
| Trainers commissions | \$13,500 | |

| | | |
|--------------------------------------|------------------|--------------------|
| NCEA Conference - April 3-5 | Cincinnati, OH | |
| 1,000 Attendance | | |
| 1% Outsource | 10 X \$3,000 | \$30,000 |
| 1% Principal | 10 X \$18,600 | <u>\$186,000</u> |
| | | \$216,000 |
| NSBA Conference - April 7-9 | San Antonio, TX | |
| 6,000 Attendance | | |
| 1% Outsource | 60 X \$3,000 | \$180,000 |
| 1% Principal | 60 X \$18,600 | <u>\$1,116,000</u> |
| | | \$1,296,000 |
| Principal Placement Commission (30%) | \$390,000 | |
| May | | \$1,472,600 |
| Monthly Expenses | \$33,800 | |
| Trainer Commissions | \$63,000 | |
| | | \$1,373,800 |
| June | | |
| Monthly Expenses | \$33,800 | |
| Software Beta Investment | \$500,000 | |
| | | \$842,000 |
| July - December | | |
| Monthly Expenses X 6 months | \$202,800 | |
| | | \$639,200 |
| 20% cost over-ride | \$202,800 | |
| | | \$436,400 |

2019 Financial Projections: Year 2

- Focus on North Carolina, South Carolina and Florida
- Projected 1% Growth
- Add E Squared Recruiting and Retention Software
- \$6,000 initial cost and \$5,000 annual renewal

| | | | |
|--|-------------------|-------------------------|--------------------|
| Monthly Expenses X 12 months | (\$67,600) | \$811,200 | |
| Outsource Recruiting Commissions (30%) | | \$153,000 | |
| Principal Placement Commissions (30%) | | \$948,600 | |
| Software Sales Commissions (30%) | | <u>\$153,000</u> | |
| | | \$2,065,800 | |
| Outsource Recruiting | 170 X \$3,000 | \$510,000 | |
| Principal Placement | 170 X \$18,600 | \$3,162,000 | |
| Software Sales | 85 X \$6,000 | <u>\$510,000</u> | |
| | | \$4,182,000 | \$2,119,200 |

2020 Financial Projections Year 3

- Focus on Georgia, Louisiana and Arkansas
- Projected 1% Growth
- Add E Squared On-line Professional Development
- Open an Office in the Midwest
- Open an Office in the Southeast

| | | |
|---|--------------------|--------------------|
| Monthly Expenses X 12 months | (\$202,600) | \$2,433,600 |
| Outsource Recruitment Commissions (30%) | | \$229,500 |
| Principal Placement Commissions (30%) | | \$1,422,900 |

| | | | |
|--|----------------|-------------|-------------|
| Software Sales Commissions (30%) | | \$306,000 | |
| Software Renewal Commissions (10%) | | \$42,500 | |
| On-line Professional Development Commissions (30%) | | \$76,500 | |
| | | \$4,511,000 | |
| Outsource Recruitment | 255 X \$3,000 | \$765,000 | |
| Principal Placements | 255 X \$18,600 | \$4,743,000 | |
| Software Sales | 170 X \$6,000 | \$1,020,000 | |
| Software License Renewals | 85 X \$5,000 | \$425,000 | |
| On-line Professional Development | 85 X \$3,000 | \$255,000 | |
| | | \$7,208,000 | |
| | | | \$2,697,000 |

2021 Financial Projections: Year 4

- Focus on California and Arizona
- Projected 1% Growth
- Add Outsource Parent Engagement Training

| | | | | |
|--|----------------|-------------|-------------|-------------|
| Monthly Expenses X 12 Months | | (\$202,600) | \$2,433,600 | |
| Outsource Recruiting Commissions (30%) | | | \$306,000 | |
| Principal Placement Commissions (30%) | | | \$2,371,500 | |
| Software Sales Commissions (30%) | | | \$612,000 | |
| Software Renewal Commissions (10%) | | | \$127,500 | |
| Parent Engagement Commissions (30%) | | | \$153,000 | |
| On-line Professional Development (30%) | | | \$153,000 | |
| | | | \$6,156,600 | |
| Outsource Recruiting | 340 X \$3,000 | | \$1,020,000 | |
| Principal Placements | 340 X \$18,600 | | \$4,743,000 | |
| Software Sales | 255 X \$6,000 | | \$1,530,000 | |
| Software License Renewal | 170 X \$5,000 | \$850,000 | | |
| On-Line PD | 170 X \$3,000 | | \$510,000 | |
| Outsource Parent Engagement | 85 X \$3,000 | | \$255,000 | |
| | | | \$8,908,000 | |
| | | | | \$2,751,400 |

Financial Projections 2022: Year 5

- Focus on Utah, Maine and Washington D.C.
- Projected 1% Growth
- Add Outsource Enrollment in Schools

| | | | | |
|--|----------------|-------------|--------------|-------------|
| Investor Pay Back | | | \$500,000 | |
| Monthly Expenses | | (\$202,600) | \$2,143,600 | |
| Outsource Recruiting Commissions (30%) | | | \$382,500 | |
| Principal Placement Commissions (30%) | | | \$2,371,500 | |
| Software Sales Commissions (30%) | | | \$612,000 | |
| Parent Engagement Commissions (30%) | | | \$153,000 | |
| Software Renewal Commissions (10%) | | | \$127,500 | |
| Outsource Enrollment Commissions (30%) | | | \$76,500 | |
| | | | \$6,366,600 | |
| Outsource Recruiting | 425 X \$3,000 | | \$1,275,000 | |
| Principal Placement | 425 X \$18,600 | | \$7,905,000 | |
| Software Sales | 255 X \$6,000 | | \$2,040,000 | |
| Outsource Parent Engagement | 170 X \$3,000 | | \$510,000 | |
| Software License Renewal | 255 X \$5,000 | | \$1,275,000 | |
| Outsource Enrollment | 85 X \$3,000 | | \$255,000 | |
| | | | \$13,260,000 | |
| | | | | \$6,893,400 |

Financial Projections State Marketing Plan 2018 (Year 1)

| School Districts & Independent Schools | | | | |
|--|---------------------|----------------|---|---------------------|
| | Ohio | 2,062 | | |
| | Wisconsin | 1,620 | | |
| | Indiana | 1,109 | | |
| | Michigan | <u>1,816</u> | | |
| | | 6,607 | | |
| 1% | Outsource | 66 X \$3,000 | = | \$198,000 |
| | Principal Placement | 66 X \$18,600 | = | <u>\$1,227,600</u> |
| | | | | <u>\$1,425,600</u> |
| 5% | Outsource | 330 X \$3,000 | = | \$ 990,000 |
| | Principal Placement | 330 X \$18,600 | = | <u>\$6,138,000</u> |
| | | | | <u>\$7,128,000</u> |
| 10% | Outsource | 661 X \$3,000 | = | \$1,983,000 |
| | Principal Placement | 661 X \$18,600 | = | <u>\$12,294,600</u> |
| | | | | <u>\$14,277,600</u> |

Financial Projections State Marketing Plan 2019 (Year 2)

| | | | | |
|-----|---------------------|----------------|---|-----------------------|
| | North Carolina | 816 | | |
| | South Carolina | 541 | | |
| | Florida | <u>1,646</u> | | |
| | | 3,003 | | |
| 1% | Outsource | 30 X \$3,000 | = | \$90,000 |
| | Principal Placement | 30 X \$18,600 | = | \$558,000 |
| | Software Sales | 96 X \$6,000 | = | <u>\$576,000</u> |
| | | | | <u>\$1,224,000</u> |
| | | | | + <u>\$1,425,600</u> |
| | | | | <u>\$2,649,600</u> |
| 5% | Outsource | 150 X \$3,000 | = | \$450,000 |
| | Principal Placement | 150 X \$18,600 | = | \$2,790,000 |
| | Software Sales | 480 X \$6,000 | = | <u>\$2,880,000</u> |
| | | | | <u>\$5,670,450</u> |
| | | | | + <u>\$7,128,000</u> |
| | | | | <u>\$12,798,450</u> |
| 10% | Outsource | 300 X \$3,000 | = | \$900,000 |
| | Principal Placement | 300 X \$18,600 | = | \$5,580,000 |
| | Software Sales | 962 X \$6,000 | = | <u>\$5,766,000</u> |
| | | | | <u>\$12,246,000</u> |
| | | | | + <u>\$14,277,600</u> |
| | | | | <u>\$26,523,600</u> |

Financial Projections State Marketing Plan 2020 (Year 3)

| | | | | |
|----|--------------------------|---------------|---|----------------------|
| | Georgia | 870 | | |
| | Louisiana | 601 | | |
| | Arkansas | 1,936 | | |
| 1% | Outsource | 19 X \$3,000 | = | \$57,000 |
| | Principal Placement | 19 X \$18,600 | = | \$353,400 |
| | Software Sales | 115 X \$6,000 | = | \$690,000 |
| | Software License Renewal | 96 X \$5,000 | = | <u>\$480,000</u> |
| | | | | <u>\$1,580,400</u> |
| | | | | + <u>\$2,073,000</u> |
| | | | | <u>\$3,653,400</u> |
| 5% | Outsource | 97 X \$3,000 | = | \$291,000 |
| | Principal Placement | 97 X \$18,600 | = | \$1,804,000 |
| | Software Sales | 570 X \$6,000 | = | \$3,420,000 |

| | | | | | | |
|-----|--------------------------|-------------------|---|--------------------|---|---------------------|
| | Software License Renewal | 480 X \$5,000 | = | <u>\$2,400,000</u> | | |
| | | | | \$7,913,200 | + | <u>\$9,918,450</u> |
| | | | | | | \$17,831,650 |
| 10% | Outsource | 194 X \$3,000 | = | \$582,000 | | |
| | Principal Placement | 194 X \$3,608,400 | = | \$3,608,400 | | |
| | Software Sales | 1,155 X \$6,000 | = | \$6,930,000 | | |
| | Software License Renewal | 961 X \$5,000 | = | <u>\$4,805,000</u> | | |
| | | | | \$15,925,400 | + | <u>\$20,757,600</u> |
| | | | | | | \$36,684,000 |

Financial Projections State Marketing Plan 2021 (Year 4)

Arizona 3,236

| | | | | | | |
|-----|--------------------------|-----------------|---|--------------------|---|---------------------|
| 1% | Outsource | 32 X \$3,000 | = | \$96,000 | | |
| | Principal Placement | 32 X \$18,600 | = | \$595,200 | | |
| | Software Sales | 147 X \$6,000 | = | \$882,000 | | |
| | Software License Renewal | 115 X \$5,000 | = | \$575,000 | | |
| | On-Line PD | 96 X \$3,000 | = | <u>\$288,000</u> | | |
| | | | | \$2,436,200 | + | <u>\$2,073,000</u> |
| | | | | | | \$4,509,200 |
| 5% | Outsource | 161 X \$3,000 | = | \$483,000 | | |
| | Principal Placement | 161 X \$18,600 | = | \$2,994,600 | | |
| | Software Sales | 731 X \$6,000 | = | \$4,386,000 | | |
| | Software License Renewal | 570 X \$5,000 | = | \$2,850,000 | | |
| | On-Line PD | 480 X \$3,000 | = | <u>\$1,440,000</u> | | |
| | | | | \$12,153,600 | + | <u>\$9,918,450</u> |
| | | | | | | \$22,072,050 |
| 10% | Outsource | 324 X \$3,000 | = | \$972,000 | | |
| | Principal Placement | 324 X \$18,600 | = | \$6,026,400 | | |
| | Software Sales | 1,479 X \$6,000 | = | \$8,874,000 | | |
| | Software License Renewal | 1,155 X \$5,000 | = | \$5,775,000 | | |
| | On-Line PD | 961 X \$3,000 | = | <u>\$2,883,000</u> | | |
| | | | | \$24,530,400 | + | <u>\$20,757,600</u> |
| | | | | | | \$52,286,400 |

Financial Projections State Marketing Plan 2022 (Year 5)

| | | | | | | |
|-----|--------------------------|-----------------|---|--------------------|---|---------------------|
| 1% | Outsource | 8 X \$3,000 | = | \$24,000 | | |
| | Principal Placement | 8 X \$18,600 | = | \$148,000 | | |
| | Software Sales | 155 X \$6,000 | = | \$930,000 | | |
| | Software License Renewal | 147 X \$5,000 | = | \$735,000 | | |
| | On-Line PD | 115 X \$3,000 | = | \$345,000 | | |
| | Parent Engagement | 96 X \$3,000 | = | <u>\$288,000</u> | | |
| | | | | \$2,470,800 | + | <u>\$3,174,600</u> |
| | | | | | | \$5,645,400 |
| 5% | Outsource | 42 X \$3,000 | = | \$126,000 | | |
| | Principal Placement | 42 X \$18,600 | = | \$781,200 | | |
| | Software Sales | 773 X \$6,000 | = | \$4,638,000 | | |
| | Software License Renewal | 731 X \$5,000 | = | \$3,655,000 | | |
| | On-Line PD | 570 X \$3,000 | = | \$1,710,000 | | |
| | Parent Engagement | 480 X \$3,000 | = | <u>\$1,440,000</u> | | |
| | | | | \$12,350,200 | + | <u>\$13,396,050</u> |
| | | | | | | \$25,746,250 |
| 10% | Outsource | 84 X \$3,000 | = | \$252,000 | | |
| | Principal Placement | 84 X \$18,600 | = | \$1,562,400 | | |
| | Software Sales | 1,563 X \$6,000 | = | \$9,378,000 | | |
| | Software License Renewal | 1,479 X \$5,000 | = | \$7,395,000 | | |
| | On-Line PD | 1,155 X \$3,000 | = | \$3,465,000 | | |
| | Parent Engagement | 961 X \$3,000 | = | <u>\$2,993,000</u> | | |
| | | | | \$25,045,400 | + | <u>\$27,756,000</u> |
| | | | | | | \$52,801,400 |