Nine years ago, God shattered my hard heart.

“If God really has given us everything he says he has for all of eternity, then why not venture something for God that’s a little bit crazy?” My pastor’s words electrified me.

I knew in that moment that if I actually trusted God, then I would obey his call to start a school for my neighbors—one I’d want my own kids to attend.

After years of resisting, I quit my job and took a frightening step of faith towards loving my inner-city neighbor as myself by starting Hope Academy.

Simply put: **Hope in God Changed Everything**. And it continues to do so today.

Hope in God is the anthem of Hope Academy, because it’s the only thing I know that can change a human heart.

It’s also the theme of this Annual Report. As you’ll see in the following pages, hope in God really does change everything: who we serve, who we hire, our families, our outcomes, and our future plans.

If you’re an investor in Hope Academy, hope in God has touched you, too.

There is no earthly explanation for the kind of heavenly generosity that has given hope to so many—and is growing hope for hundreds more urban youth.

Hope in God changes everything. Thank you for making hope happen.

Russ Gregg
Co-Founder & Head of School
Christian education is often reserved for the privileged—but Jesus taught us to welcome everybody.
Our Students

481 Students

K-12

Beautifully Diverse

African, African-American or Biracial

Latino-Hispanic

Caucasian

Native American

Asian/Island Pacific

English Learners

37% English language learners

Inner-City

83% live in Minneapolis

7 buses to North & South Minneapolis

Low-Income

Hennepin County

$71,200

Hope Academy

$32,067

Median Household Income

High Need

54%

54% of students received additional emotional, mental, social, and/or academic support.

“Our little children come to me, and do not hinder them, for the kingdom of heaven belongs to such as these.”

Matthew 19:14
Our goal is to cultivate faith and character that produce good fruit.
Shepherding the Heart

How We See Students

**Image-Bearers**
Students are spiritual beings, created in God’s image with immeasurable worth and eternal purpose.

**Afflicted by Sin**
Every school must diagnose problems. We believe the root cause is sin in our world and our hearts.

**In Need of Discipleship**
At Hope Academy, we teach to the head and the heart. Students need ongoing, intensive discipleship.

**Capable of Greatness**
Students rise to high expectations. That’s why we teach Latin, the “Great Books,” and Calculus.

**Flourishing with Support**
Students thrive in a safe, structured, and loving environment, with more time on task (including mandatory summer school!).

“They will be called Oaks of Righteousness, a planting of the Lord for the display of his splendor.”

*Isaiah 61:3*
Who We Hire

Christ’s love compels our staff to sacrificial care and excellence.

“The thing I like best about Hope Academy is our teachers and how much they care about us.”

Middle School Student
Remarkable Teachers

Committed
Teachers give long hours, Saturdays, and summers to make sure students succeed.

Present
Most staff live in the communities we serve. Some move across the country to be here.

Excellent
Simply put, our teachers are outstanding, pouring their hearts and talent into their work.

Missional
Motivated by Christian faith, teachers are deeply invested in discipling students.

Giving
Staff selflessly share meals, rides, vacation days, and resources with fellow staff, students and families.

“Whatever you do, work at it with all your heart, as working for the Lord, not for men.”
Colossians 3:23
Hope in God changes everything—most importantly, our students.

Andrew

“I’m not the same person I was two or three years ago, and that’s all because of God and because of my teachers.”
**Miles**

“Miles grew a whole year in reading in just three months, thanks to his teachers’ support.”

- Wanda, Miles’ Mother

**Raylen**

“From day one, my girls have been shown how great God is, and how much he loves them. Hope Academy has allowed them to be confident in Christ, and in who they are.”

- Mandi, Raylen’s Mother

**Sonaa + Weddu**

“Sometimes I’m surprised by my kids. They act more like leaders than children.”

- Israel, Sonaa + Weddu’s Father

**Kenneth**

“Hope Academy has taught me to be a leader, to work hard, be respectful, and love God. I’m nothing but grateful for the education and relationships God has provided through Hope.”
Hope in God strengthens families, as parents are engaged, encouraged, and held accountable in their child’s education.

**Valued**
481 home visits to build strong relationships.

**Engaged**
94% parent-teacher conference attendance.

**Equipped**
Through school-led parenting seminars, classes, workshops and Bible studies.

**Encouraged**
2,018 positive staff calls, notes, or conversations with parents.

**Invested**
All families contribute a fair share of tuition, often $100/mo.

**Supported**
Through partnerships providing food, counseling, clothes, and resources.
Coming from a Hispanic background with a single-parent home and a low-income family, there’s a lot of challenges that we face. I believe that God has totally flipped the story around; both my sister and I were awarded full-ride scholarships that will enable us to pursue college.

Jose, Class of 2018
Outcomes

Hope Academy seeks to unleash kingdom citizens who work for justice, economic opportunity, racial harmony, hope for the family, and joy in the community.

Academic Progress

Math & reading scores have continued to climb for 7 years.

Amazing Results

<table>
<thead>
<tr>
<th></th>
<th>MATH</th>
<th>READING</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Proficient</td>
<td>23.8%</td>
<td>26.3%</td>
</tr>
<tr>
<td>Local Schools</td>
<td>63.9%</td>
<td>66.5%</td>
</tr>
</tbody>
</table>

High School Graduation

95% of seniors graduated on time.

College Scholarships

18 full-tuition scholarships awarded to grads since 2013.

Spiritual Formation

100% of seniors said their faith is very important.

Hope Academy is transitioning to a more rigorous definition of proficiency. We have moved from using the SAT10 standardized test which defined average and above as stanine levels of 4 or higher, to the ACT Aspire and NWEA MAP standardized tests. The NWEA MAP defines average and above as the 41st percentile or higher. Local schools use the Minnesota Comprehensive Assessments (MCAs).
**Grads Give Back**

**Halley 2013**
Studying and interning at the Leadership Development Institute, Hope Community Church. Working in the community.

**Ephraim 2015**
Studying Engineering at the University of St. Thomas. Intern at Xcel Energy.

**Auryanna 2013**
Graduate of Cornerstone University. Serving with AmeriCorps.

**Shania 2015**
Full-ride scholar at the University of Northwestern. Mentor and leader on campus.
We fell in love with Hope Academy a couple years ago, and love it even more today. We’re so excited about what this school does for inner-city students and parents, and also what it’s brought to our lives.

Bill & Karen Charron, Partners since 2016
90% of Hope Academy’s costs are paid for by donors like you.

27
Boaz Givers
$25,000+
Boaz givers generously help us multiply our impact and reach more urban youth.

380
Partners
$3,000 - $25,000
Partners financially support one or more students to attend Hope Academy.

192
Day Sponsors
$500 - $3,000
Day Sponsors cover one or more days of Kindergarten for students without partners.

250
Supporters
< $500
Supporters help to make Hope Academy affordable for our students and families.
How We Grow

In 2016, Hope in God ignited the Growing Hope Capital Campaign to bring a remarkable, Christ-centered education to more urban youth locally and nationally.

$1.4 Million To Go!

$8.7 million goal

[Progress Bar: Needed  -  Committed]
Growing Hope Capital Campaign

Growing Hope to serve 700 students in Minneapolis.

Phase I Completed On Time & Under Budget:
• New high school science wing
• Three new 4th grade classrooms
• New lower school computer lab
• New staircase & bathrooms

Phase II Beginning Fall 2018:
• New, additional gymnasium
• Six additional classrooms
• Cafeteria expansion
• New student support wing

Scheduled to be completed Fall of 2019

Spreading Hope to 10 cities nationwide.

Equipping Fellows
• Providing resources, conferences, and assistance for fellows interested in launching schools.

Launching Founders
• Consulting with school leaders to help launch Christ-centered, classical schools.
• Harbor Christian Academy launched in Houston Fall 2018!

Partnering with Funders
• Connecting schools with local and national funders to create independence and sustainability.

Local funding complete!

$1.4 million to go—get in on the joy!

“If we don’t invest, things won’t change.”
Hector & Michelle Fernandez, Partners since 2015
Our sincere thanks to everyone who gave to our student missions trips!
# Stewardship

**August 1, 2017 – July 31, 2018**

## Income

<table>
<thead>
<tr>
<th></th>
<th>2017-2018 Actuals</th>
<th>2017-2018 Operating Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations - Annual Fund</td>
<td>$4,802,100</td>
<td>$4,643,500</td>
</tr>
<tr>
<td>School Tuition and Fees</td>
<td>$590,100</td>
<td>$516,000</td>
</tr>
<tr>
<td>Other Income</td>
<td>$25,400</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>$5,417,600</td>
<td>$5,159,500</td>
</tr>
</tbody>
</table>

## Expense

<table>
<thead>
<tr>
<th>Category</th>
<th>2017-2018 Actuals</th>
<th>2017-2018 Operating Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary and Benefits</td>
<td>$3,812,600</td>
<td>$4,117,900</td>
</tr>
<tr>
<td>Administration Expenses</td>
<td>$131,700</td>
<td>$159,100</td>
</tr>
<tr>
<td>Development</td>
<td>$63,700</td>
<td>$59,500</td>
</tr>
<tr>
<td>Admission and Family Ministry</td>
<td>$22,800</td>
<td>$20,900</td>
</tr>
<tr>
<td>Classroom Expenses</td>
<td>$79,400</td>
<td>$75,700</td>
</tr>
<tr>
<td>Information Technology</td>
<td>$47,800</td>
<td>$40,800</td>
</tr>
<tr>
<td>Athletics/Extracurricular</td>
<td>$63,500</td>
<td>$61,100</td>
</tr>
<tr>
<td>Facility</td>
<td>$636,500</td>
<td>$624,500</td>
</tr>
<tr>
<td><strong>Total Expense</strong></td>
<td>$4,858,000</td>
<td>$5,159,500</td>
</tr>
<tr>
<td>Operational Reserves</td>
<td>$559,600</td>
<td>$0</td>
</tr>
</tbody>
</table>

## Growing Hope Capital Campaign Fund

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>$6,358,500</td>
</tr>
<tr>
<td>Expenses</td>
<td>$2,399,100</td>
</tr>
<tr>
<td><strong>Net Fund Balance</strong></td>
<td>$3,959,400</td>
</tr>
</tbody>
</table>

## Assets

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>$8,776,100</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>$3,794,100</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$12,570,200</td>
</tr>
</tbody>
</table>

## Liabilities and Equity

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Fund Donations for the 18-19 school year</td>
<td>$1,193,300</td>
</tr>
<tr>
<td>Annual Fund Donations for future years beyond 18-19</td>
<td>$135,000</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>$1,495,800</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td>$9,746,100</td>
</tr>
<tr>
<td><strong>Total Liabilities &amp; Equity</strong></td>
<td>$12,570,200</td>
</tr>
</tbody>
</table>

**Notes:**
1. The figures here are meant to show the basic inflow and outflow of cash during our fiscal year. It does not include in-kind donations, the value of Title services or designated in/out accounts. Free/Reduced Lunch Reimbursements and district textbook reimbursements are subtracted from expenses.
2. The facility expense represents Hope Academy’s share of the building expenses. Teen Challenge contributes roughly $300k in rent to cover additional building costs.
3. Hegenes Properties, Inc manages the building on behalf of Hope Academy. The building and school financial reports are combined at year end and audited by an independent accounting firm. Audited financial statements are available upon request. The 17-18 audit was not finished at the time of publication.
We’re Growing Hope